JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

First Extraordinary Session of 1965

Held in the State Capitol in the Capital City of Kentucky, at
Frankfort, in the Year of Our Lord 1965 and
in the One Hundred and Seventy-fourth
Year of the Commonwealth

Begun on the Twenty-third Day of August, 1965, and Adjourned
Sine Die on the Seventeenth Day of
September, 1965

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FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Section 6.161 and 6.162 of the *Kentucky Revised Statutes*, the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of that obligation.

The text of a bill is spread in full when it receives a first reading. The roll call on passage of a bill is indicated upon its receipt of a third reading. Simple and concurrent resolutions are printed when adopted and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

JAMES T. FLEMING
Director

The Capitol
Frankfort, Kentucky
October, 1965

JOURNAL

OF THE

HOUSE OF REPRESENTATIVES

OF THE

COMMONWEALTH OF KENTUCKY

FIRST EXTRAORDINARY SESSION OF 1965

MONDAY, AUGUST 23, 1965

FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on August 23, 1965, and in the one hundred and seventy-fourth year of the Commonwealth, in compliance with a proclamation issued by the Governor of the Commonwealth, the House of Representatives was called to order by the Honorable Shelby McCallum, Speaker of the House of Representatives.

Prayer by the Reverend John C. Chenault, of the First Christian Church, Frankfort.

The Clerk read the following proclamation:

COMMONWEALTH OF KENTUCKY
COUNTY OF FRANKLIN

I, Thelma L. Stovall, Secretary of State for the Commonwealth of Kentucky, do certify that the foregoing writing has been carefully compared by me with the original record thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of the PROCLAMATION BY THE GOVERNOR OF THE COMMONWEALTH OF KENTUCKY, calling EXTRAORDINARY SESSION, of the GENERAL ASSEMBLY of Kentucky to convene at Frankfort, Kentucky, at 7:00 P.M., E.S.T. on Monday, August 23rd, 1965.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal.

Done at Frankfort this 23rd day of August, 1965.

THELMA L. STOVALL
Secretary of State, Commonwealth of Kentucky

PROCLAMATION

TO THE MEMBERS OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF KENTUCKY AND TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to the power vested in me by Section 80 of the Constitution of Kentucky to convene the General Assembly into Extraordinary Session, I, Edward T. Breathitt, Governor of Kentucky, on July 23, 1965, did issue my proclamation convening the General Assembly of Kentucky in Extraordinary Session at the seat of government at Frankfort, Kentucky, at 7:00 p.m., EST, on Monday, August 23, 1965, for the purpose of considering the following four subjects:

(1) Whether to reduce state and local ad valorem tax rates on real and tangible personal property.

(2) Whether to amend KRS 157.380 relating to determination of local school tax efforts.

(3) Whether to ratify S. J. Resolution 1 of the 89th Congress entitled "Joint Resolution proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office."

(4) Any act or acts necessary to take the sense of the people of the state as to the necessity and expediency of calling a convention for the purpose of adopting, rejecting, or modifying the constitutional revisions to the present State Constitution and the amendments thereto as approved and adopted by the present Constitution Revision Assembly, which act or acts so enacted at this Extraordinary Session would be required to be adopted at a session of the 1966 General Assembly pursuant to the provisions of Section 258 of the present Constitution of Kentucky.

I now reaffirm the consideration of those subjects set out above and add the following subject to be considered by the General Assembly:

(5) Whether to provide for an occupational license tax to be levied for public school purposes in counties containing cities of the first class and for a referendum on such tax by the people of the county.

The members of the General Assembly in accordance with this proclamation will assemble in Extraordinary Session at the seat of government at Frankfort, Kentucky, on the day and hour above written, to consider the subjects herein mentioned, and only said subjects and only to the extent mentioned in this proclamation.

Done at Frankfort, Kentucky, this 16th day of August in the year of our Lord, one thousand nine hundred and sixty-five, and in the year of the Commonwealth the one hundred and seventy-fourth.

EDWARD T. BREATHITT
Governor
THELMA L. STOVALL
Secretary of State

Thomas Hourigan, Representative from the Forty-ninth Legislative District, Route 3, Lebanon, Kentucky, produced his certificate of election, appeared before the presiding officer and was administered his oath of office by the Honorable James B. Milliken, Judge of the Court of Appeals.

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FRANKLIN)

I, Thelma L. Stovall, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the office of the Secretary of State of the Commonwealth of Kentucky, and the attached certificate of election, Thomas Hourigan, Route #3, Lebanon, Kentucky, is the duly elected and qualified State Representative from the Forty-ninth Legislative District.

Given under my hand and seal of office this 23rd day of August, 1965.

THELMA L. STOVALL
Secretary of State
Commonwealth of Kentucky

COMMONWEALTH OF KENTUCKY
Frankfort, Kentucky, August 23, 1965

The Undersigned, a board for examining the returns of a Special election held on Tuesday, the 17th day of August, 1965, for the Democratic nomination for the Office of House of Representatives for the remainder of the 1964-1965 session of the General Assembly, for the Forty-ninth Legislative district of the State of Kentucky, do certify that Thomas Hourigan, Route #3, Lebanon, Kentucky received the highest number of votes as the candidate of the Democratic party for that office, as certified to the Secretary of State, and is therefore declared to be the duly elected Representative for the Forty-ninth Legislative District.

THELMA L. STOVALL, Chairman
Oldham Clarke, Member
State Board of Elections for the
Commonwealth of Kentucky

ATTEST:
PEARL F. RUNYAN,
Secretary State Board of Elections

The roll was called. All present except Representatives Ballenger, Barton, Dempsey, Frymire, Green, J. O. Johnson, Marcum, McCowan, Miller, O'Brien, R. Reynolds, Sanders, Sheehan, Wallace, and Watkins.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Denham nominated the following Constitutional Officers, who were elected by acclamation:

Doorkeeper, Mrs. Fred Radford
Page, Carla Kemper

Judge James B. Milliken of the Court of Appeals of Kentucky administered the oath of office to the Constitutional Officers.

Motions, Petitions, and Communications

Representative Denham moved that the Rules of the 1964 Regular Session be adopted. Agreed.

HR 1, by Representative Denham: A RESOLUTION extending an invitation to the pastors of Frankfort churches to open sessions of the House of Representatives with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant-at-Arms be directed to invite the pastors of the various Frankfort churches to attend the meetings of this House and open the sessions thereof with prayer.

Representative Denham moved the adoption of **HR 1.** Agreed.

HR 2, by Representative Denham: A RESOLUTION authorizing appointment of a committee of the House to wait upon the Senate and the Governor.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That a committee of this House be appointed by the Speaker to wait upon the Senate and notify that body that this House is now organized and ready to proceed to the transaction of business and that said committee shall, in conjunction with a like committee from the Senate, wait upon the Governor and inform him that the General Assembly is now organized and ready to receive any communication the Governor may desire to deliver.

Representative Denham moved the adoption of **HR 2.** Agreed.

Pursuant to **HR 2**, the following members were appointed by the Speaker: Representatives McCowan, Hunt, and Bondurant.

The Committee appointed to wait upon the Governor reported that the Governor was ready to address a Joint Session of the General Assembly.

The Senate entered upon the floor of the House.

Representative Denham moved that the Senate and House go into Joint Session. Agreed.

Joint Session

Speaker McCallum vacated the Chair, whereupon the Honorable Harry Lee Waterfield, Lieutenant Governor and President of the Senate, assumed the Chair and called the Joint Session to order.

Prayer by the Reverend John C. Chenault of the First Christian Church, Frankfort.

Representative Denham moved that the roll call be dispensed with. Agreed.

The Committee appointed to wait upon the Governor appeared with His Excellency, The Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky, who addressed the General Assembly as follows:

MR. PRESIDENT OF THE SENATE
MR. SPEAKER OF THE HOUSE
MEMBERS OF THE GENERAL ASSEMBLY

You meet in extraordinary session to deal with extraordinary issues—issues which affect the well-being, the prosperity and the future opportunities of every Kentuckian.

I scarcely need to tell you what those issues are. They have been on the minds and on the tongues and pens of countless Kentuckians during the past two months. You are met here to make certain that the property owners of Kentucky may find reassurance against the widespread fear of unbearable increase in their property taxes.

"Taxes," as the late Justice Holmes once said, "are the price we pay for civilization." The education of our children, the protection of our lives and property against crime and disorder, the streets over which we travel, the measures which we use to protect the health and welfare of our people. All these foundations of our society would crumble without taxes to provide the necessary funds.

Those in public life who will not face the fact that the increasing

quantity and quality of public services can be paid for only out of taxes are simply unable or unwilling to face the facts of fiscal life.

Let me make it clear, however, that our purpose in meeting here tonight is not to increase taxes but to reduce them; not to add to the taxpayers' burdens, but to relieve those burdens.

As President Grover Cleveland once said, "It is a condition and not a theory which we face." What is that condition; what are its causes, and what do we propose to do about it? These are the questions which we, working together, must answer, not only to the satisfaction of the people of Kentucky, but to the satisfaction of our consciences and the needs of our children.

These needs are not mutually exclusive. The finest educational system which we could plan would topple and crumble if our farmers, our homeowners and our business enterprises were so crushed by high taxes that our prosperity and sovereignty are so threatened. But, by the same token, even if we could reduce taxes to the barest minimum, the wealth of our Commonwealth would rust and rot if we did not provide good schools and improved educational opportunities for the boys and girls who will produce the wealth that pays the taxes of the next generation.

In this, as in most difficult decisions which we are called upon to make in public life, we must adjust, we must reconcile, we must piece together the conflicting needs and conflicting pressures from which must emerge laws and policies which can keep our educational system on the upward path without bankrupting the taxpayer.

The Constitution of Kentucky was written in 1891. The framers of that document wrote into it a clear command that all property not exempt from taxation should be assessed at and taxed on the basis of its fair cash value. The framers of our Constitution went even further than this.

They wrote into our basic law a definition of fair cash value as the price which property would bring at a voluntary sale. Our Constitution says nothing about assessment ratios, about percentages of value, about fractional assessments or any of the other complications which have crept stealthily but surely into the field of tax assessment.

Constitutions are not easy to write and their language must sometimes seem vague or obscure by the very necessity of the case. But those provisions of our State Constitution dealing with the assessment of property for purposes of taxes are as plain as the English language can be.

Despite the clarity and vigor of our Constitution, it was evaded, ignored and disobeyed almost from the day it became law. This

failure we cannot lay at the door of any one man or group. St. Paul said, "All have sinned and come short of the glory of God." I think it is fair that in the assessment of property for tax purposes, over a period of 75 years, all of us—governors, legislators, commissioners, assessors, and just plain taxpayers—all of us have sinned and come short of our responsibility in living up to the requirements of our Constitution.

This has resulted in two very serious practical difficulties in the administration of taxes at local levels of government. In this connection, we must remember that the property tax has ceased to be a basic source of revenue for state government. Since 1891, we in Kentucky have come to rely upon the income tax, the sales tax, and the various excise taxes for the support of government programs at the state level. But the property tax has continued and in all probability will continue to remain a basic and perhaps the basic source of revenue for cities, for counties and for local school districts.

Our failure to assess property at its fair cash value has inflicted two deep wounds on our fiscal system in the area of local government. First, it has confused and mixed up the function of assessment with the responsibility for setting tax rates. The fundamental policy of our Constitution was designed to place responsibility for determining the total tax bite on the elected representatives of the people—the city councils, the fiscal courts, the local school boards—subject, of course, to the restrictive power of the General Assembly. But the people's representatives could not meet this responsibility so long as assessments were variable, unequal and unrealistic.

Secondly, the failure to assess property as required by the Constitution has resulted in an unequal and unfair distribution of the total property tax burden. The property tax cannot afford a workable basis for financing local government when the assessment procedure is riddled with injustice and discrimination.

What, then, has happened to change all this during the last two months? The answer is simple, though the problem may be difficult. Some months ago a group of citizens and taxpayers went to the courts and asked the courts to compel the Department of Revenue and the local tax assessors to assess all property at its fair cash value, as the Constitution commands.

Let me make one thing clear: I did not start this lawsuit, the Department of Revenue did not start this lawsuit, and the tax commissioners did not start this lawsuit. On the contrary, we defended the suit. We had no control over those who did bring it. When the lawsuit reached the Court of Appeals, our highest court, without a single judge dissenting, granted the relief sought by these citizens

and directed that beginning January 1, 1966, all property be assessed at its fair cash value.

This is what I mean when I say that it is a condition and not a theory which confronts us. Existing tax rates have been set, for the most part, on the basis of assessments at a level much lower than fair cash value. If property is now to be assessed in accordance with the Constitution and the Court's decision, existing tax rates would produce in many cases astronomical and unbearable increases in the burden of taxation.

Of course, you and I know that our local governing bodies—our fiscal courts, our city councils and our school boards, will not continue existing rates in the face of 100 percent assessments. These bodies are all elected by the people in the various communities, and they are composed of sane and sensible citizens. I simply do not believe that the magistrates, the county commissioners, the mayors and councilmen and the school board members in Kentucky will act irresponsibly and recklessly.

I believe, however, that the uncertainties which have followed in the wake of the recent decision by the Court of Appeals have produced widespread fear and insecurity among our people; and this fear is a fact of life which you and I must face. Until property has been reassessed in accordance with the Court's decision, and until local governing bodies have given tangible evidence of their firm desire to protect the taxpayer against unjust burdens, I believe that action by the General Assembly is urgently necessary to relieve the fears of our people.

That is why I have called upon you to convene in this extraordinary session. What, then, shall be we about it all?

So far as property tax rates at the state level are concerned, the answer seems to me to be clear. We can simply reduce all state property tax rates to a point at which tax receipts, under 100 percent assessment, remain at the same level now prevailing.

Indeed, as to livestock and farm machinery, which are extremely difficult to assess, and which produce less than $600,000 of revenue each year, I think we can go further and reduce rates to the point of a practical exemption. This I recommend to you.

This leaves to be considered the all-important matter of local tax rates and the limitations to be placed upon them by the General Assembly in the light of changed assessments.

As to this, I have sought information, have sought advice, have sought enlightenment, from every possible source, from every group and every individual. I have conducted this inquiry without pre-

conceived opinions, without respect to politics, and solely in a spirit of searching for the right answer—the answer which will protect the greatest number of taxpayers against unjust burdens and at the same time permit adequate local support for education and the other necessary activities of local government.

To discuss and analyze each suggestion made, with all possible variations on a particular theme, would keep you here in session all night. Most proposals, however, have gone under a few broad categories and with one or two of these I should like to deal for a moment.

The proposal which we have heard perhaps most frequently is a deceptively simple one—to reduce the maximum tax rate for local schools from the present level of $1.50 to a flat lower level, the figure of fifty cents being frequently mentioned, and for comparable reductions in the maximum level allowed for other local units of government.

This proposal I do not believe would be workable or practical. It would see some of our cities, counties and school districts where assessment ratios have been highest actually reduce revenues below the existing level.

The effect of such a policy would be to destroy some of our finest local school systems and to cripple city and county government by compelling reduction in government services. On the other hand, in those counties, cities, and school districts where assessment ratios have been lowest, a fifty-cent maximum school rate or its equivalent for other local units of government would permit very substantial and in some cases almost inconceivable increases in taxes.

For example, a fifty-cent maximum school tax rate on the basis of 100 percent assessment would reduce revenue in Jefferson County by more than $600,000 per year; in Bullitt County by nearly $35,000 per year; in Bellevue by more than $60,000 per year; in Fort Thomas by more than $200,000 per year; in Newport by $35,000 per year; in Lexington by almost $200,000 per year; in the City of Henderson by $84,000 per year; in the City of Covington by nearly $300,000 per year; in Lee County by $4,000 per year; in the City of Paducah by more than $20,000 per year.

On the other hand, a fifty-cent maximum rate would permit increases of substantial nature in every school district where assessment ratios are now below average. A fifty-cent tax rate, on the basis of 100 percent assessment, would increase revenue in Barren County by more than $160,000, or 58 percent; in Hickman County by more than $75,000, or 57 percent; in Owen County by more than $80,000,

or 40 percent; in Morgan County by almost $60,000, or 67 percent; in Breckinridge County by nearly $100,000, or 43 percent.

It would, of course, be possible to lessen the destructive impact of the fifty-cent maximum proposal in those counties with high ratios by permitting higher rates where necessary to preserve existing levels of revenue, but this would still make possible substantial increases in the tax burden in many school districts.

I am convinced that the better plan would be a rollback in rates to compensate for increased assessments; in other words, legislation which would freeze the tax burden on existing property at the existing level. This would guarantee the average local taxpayer against any increase in his tax bill resulting from the reassessment of property at fair cash value.

It would not and could not prevent the taxpayer whose property is underassessed in comparison with that of his neighbors from having some increase in his tax burden, just as it would result in a reduction in taxes for those taxpayers whose property is now assessed at a higher ratio than that of his neighbors.

After all, the very purpose of requiring assessment at full cash value is to equalize the tax burden, and this will naturally result in some increases and some decreases in individual tax bills. Our objective is to equalize assessments—to distribute the burden fairly among taxpayers, but to prevent the total burden from rising as a result of reassessment.

The proposal which I recommend to you, I repeat, is that you, the General Assembly, require local taxing districts to roll back their tax rates so that the average person in the local district does not suffer a tax increase as a result of reassessment. This result cannot be accomplished under the fifty-cent maximum rate proposal, but it can be accomplished under the rollback proposal.

After we have achieved this result, we must face the fact that some, though by no means all, of our local school districts and other local taxing districts may be faced with special, urgent and pressing needs for modest additional revenue. I do not think we can, in fairness to our children, place every local school board and every local governing body in a complete straightjacket. Therefore, I suggest to the General Assembly that, in addition to the rollback of tax rates, you provide a moderate safety valve which will allow any local school board or fiscal court, after full notice and public hearing, to increase local tax rates by not more than 10 percent in any one year.

These recommendations are based in part upon the experience of the State of Florida. In Florida, as in Kentucky, the highest state

court ordered the assessment of property at full cash value. In Florida, as in Kentucky, the Legislature was called upon to act for the protection of taxpayers against crushing burdens which might have resulted from increased assessments under existing rates.

In Florida, as I hope will be the case in Kentucky, the Legislature did not set arbitrary numerical maximum rates but directed a rollback in local tax rates to compensate for increased assessments. In Florida, as I hope will be the case in Kentucky, the Legislature provided a safety valve by permitting an increase of not more than 10 percent in rates fixed by local government bodies after notice to the public and after a full public hearing.

The recommendations which I make to you provide greater protection to the taxpayer than does the Florida law, because Florida made provision for an addition 5 percent emergency increase in local tax rates, which I am not recommending to you.

This is not to say that Florida, in her legislation, has found the answer to the questions which Kentucky must face, but Florida's situation more nearly resembles that of Kentucky in respect to these matters than does any other state, and I believe we may find her experience useful in solving our problems.

I have included three other matters in the proclamation which has brought you here. One relates to a permissive occupational tax for educational purposes in Louisville and Jefferson County. It is recommended by the educational leadership in that community, is endorsed by both political parties and contains a provision for referendum if that be desired by sufficient percentage of the voters. This is nothing more or less than a home-rule proposition, and it has not been requested on a similar basis by other school districts.

I have also proposed for your consideration the ratification of the proposed amendment to the Constitution of the United States relating to Presidential succession and Presidential disability. This amendment was submitted by vote of both Houses of Congress where it passed by overwhelming majorities with bipartisan support. In my opinion, this nation cannot afford the risk of doubt as to who is at the head of its government and as to how the affairs of the nation are to be conducted where the President may be physically or otherwise disabled from exercising the powers of his office.

The Constitution Revision Assembly is nearing the completion of its work. The regular session of the General Assembly which convenes in 1966 will want to consider the submission of its handiwork for the consideration and judgment of the people.

Three methods of submission have been suggested:

(1) the calling of an unlimited constitutional convention,

(2) the calling of a limited constitutional convention, and

(3) the direct submission of a revised Constitution to the vote of the people.

The regular session in 1964 took necessary action to permit the first of these alternatives to be considered in 1966, and the third alternative did not require preliminary action prior to the 1966 session. In order to keep alternative methods of submission open for consideration in 1966, I recommend that you take steps for the calling of a limited convention.

As to the main problem which has brought you here, I can only say that the inherent difficulties of the subject are sufficiently great without the addition of partisanship or quest for political advantage. Without a surrender of self-interest, without a willingness to listen to all points of view, without a determination to reach a sound and workable solution regardless of all else, we shall simply dissolve into a confusion of tongues, a senseless furor of clamoring voices, full of sound and fury signifying nothing.

This I do not believe would be the spirit of this General Assembly nor the spirit which will appeal to the sober second thought of our constituents. At the first impulse of insecurity and discontent, which have not unnaturally followed in the wake of a fundamental change, those who talk loud and think little may believe that they have discovered a demagogue's paradise.

But the people are not all that feckless. As they listen, as they think, as they face the facts, Kentuckians will realize that the answer is best which will best fit the facts and best stand the test of experience. And when those to whom you and I must answer are ready to make their enduring judgment, they will give the accolade of confidence and approval to those who are ready to stand the heat and who refuse to be led off the main highway by the noisy clamor of each passing moment. I am confident that you, in facing up to your responsibilities, will earn that accolade in the work which you are about to do.

Representative Denham moved that the Joint Session be dissolved. Agreed.

Speaker McCallum resumed the Chair and called the House to order.

Introduction of Bills and Resolutions

HR 3, by Representative Denham: A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for expenses incurred in connection with the First Extraordinary Session of 1965 of the General Assembly, and declaring an emergency.

HB 1, by Representative Denham: AN ACT relating to revenue and taxation.

Representative Denham announced the House would convene at 9 a.m., Tuesday, August 24, 1965.

Representative Denham moved that the House adjourn until 9 a.m., Tuesday, August 24, 1965. Agreed.

TUESDAY, AUGUST 24, 1965

SECOND LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives Ball, Barton, Blythe, Farmer, Frymire, Green, Houtchens, O'Brien, Sanders, Sheehan, Watson, and A. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of Journal of August 23, 1965, be dispensed with and the same approved. Agreed.

Motions, Petitions, and Communications

HR 4, by Representatives Caldwell, Stuart, J. E. Johnson, Ballenger, Reichert, DeMarcus, Ball, Harper, Jones, Wheeler, and Blythe: A RESOLUTION relating to taxation.

Representative Caldwell moved the adoption of **HR 4** by voice vote.

Representative Blume moved **HR 4** be referred to the Rules Committee.

On the roll call the vote was yeas 49—Allen, Bamberger, Barber, Bates, Billings, Blume, Bondurant, Carroll, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Gearheart, Green, Hardin, Hinkle, Hourigan, Hunt, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maddox, McNamara, Miller, F. Morgan, Murphy, Nicholls, Palmer, Peniston, Pettit, Pile, W. Reynolds, Sanders, Smith, Straney, Tinsley, Tucker, Watkins, Watts, Webster, Wells, Whitlock. Nays 34—Ashby, Ball, Ballenger, Blythe, E. Brown, Buky, Caldwell, DeMarcus, Dempsey, Hale, Harper, Head, Hislope, Hoe, J. E. Johnson, J. O. Johnson, Jones, Marcum, Maury, McCowan, McIntyre, J. Morgan, Peace, Reichert, Render, Russell, Schmidt, Secrest, Stuart, Wallace, Watson, Wheeler, Willen, Wright.

The motion to refer **HR 4** to Rules Committee was adopted.

The Speaker referred **HB 1, HR 3,** and **HR 4** to the Rules Committee.

Representative Stuart moved that the Rules Committee conduct a public hearing on **HB 1,** at 10 a.m., Thursday, August 26, 1965. Agreed.

Introduction of Bills and Resolutions

HB 2, by Representative Isler: AN ACT relating to property tax rates.

HB 3, by Representative Dempsey: AN ACT relating to property tax rates.

HR 5, by Representatives Harper, Ball, Ballenger, Bamberger, Billings, Buky, DeMarcus, Dempsey, Denham, Gearheart, Hislope, Hourigan, Hunt, Isler, J. E. Johnson, Jones, Lankford, Marcum, Maury, McNamara, Nicholls, Reichert, Russell, Schmidt, Wheeler, Willen, and Wright: A CONCURRENT RESOLUTION directing the Legislative Research Commission to make a study of school districts.

HR 6, by Representative Wells: A CONCURRENT RESOLUTION directing the Legislative Research Commission to conduct a study concerning the non-resident tuition fees charged by colleges and universities in Kentucky as compared to other states; to determine the number of non-resident students in attendance at the colleges and universities of the Commonwealth; and, to determine the cost of education, per student, at each of Kentucky's colleges and universities.

Representative Cottengim moved that the rules be suspended to make a motion. Agreed.

Representative Cottengim moved that the House convene at 8 p.m. each evening except Friday; and, the House convene at 9 a.m. on Friday.

On the roll call the vote was yeas 22—Billings, Bondurant, A. Brown, E. Brown, Caldwell, Carroll, Chaudoin, Farmer, Hunt, Isler, A. Johnson, J. O. Johnson, J. E. Johnson, Maury, Miller, J. Morgan, Murphy, Palmer, Sheehan, Whitlock, Willen, Wright. Nays 55—Allen, Ashby, Ball, Ballenger, Bamberger, Barber, Bates, Blume, Bruce, Buky, Chapman, Cook, Cottengim, DeMarcus, Dempsey, Denham, Hale, Hardin, Harper, Hislope, Hoe, Hourigan, Houtchens, Howard, Irick, Jones, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maddox, Marcum, McCowan, McIntyre, Peace, Peniston, Pile, Reichert, R. Reynolds, W. Reynolds, Russell, Sanders, Schmidt, Secrest, Smith, Taylor, Tinsley, Tucker, Wallace, Watts, Webster, Wells, Wheeler, P. Young.

The motion that the House convene at 8 p.m. each evening except Friday, and on Friday at 9 a.m. was defeated.

Representative Denham moved that the House adjourn until 10 a.m., Wednesday, August 25, 1965. Agreed.

WEDNESDAY, AUGUST 25, 1965

THIRD LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by Monsignor Joseph A. O'Dwyer, of the Church of the Good Shepherd, Frankfort.

The roll was called. All present except Representatives Barton, Blythe, Frymire, Lassiter, O'Brien, Palmer, Sheehan, Taylor, and A. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of August 24, 1965, be dispensed with and the same approved. Agreed.

Report of Committees

The Committee on Rules reported **HR 3** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 3, A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for expenses incurred in connection with the First Extraordinary Session of 1965 of the General Assembly, and declaring an emergency.

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there be appropriated out of the General Expenditure Fund, to the Legislative Sessions Fund, for the payment of salaries and other expenses of the First Extraordinary Session of 1965 of the General Assembly, the sum of nine thousand dollars per calendar day during the First Extraordinary Session of 1965.

Section 2. That there be appropriated out of the General Expenditure Fund, to the Legislative Acts and Journals Account, for printing of the Acts and Journals of the First Extraordinary Session of 1965 of the General Assembly, the sum of six thousand dollars.

Section 3. That there be appropriated out of the General Expenditure Fund, to the Legislative Research Commission, for the purpose of providing additional services to the General Assembly during the First Extraordinary Session of 1965 of the General Assembly, the sum of one thousand seven hundred and fifty dollars per calendar day during the First Extraordinary Session of 1965.

Section 4. The appropriations made in Sections 1, 2 and 3 of this resolution shall be available for expenditure during the 1965-1966 fiscal year.

Section 5. Whereas, the General Assembly is now in session and it is necessary that funds be available immediately, an emergency is declared to exist and this resolution shall become effective upon its passage and approval by the Governor, and shall be retroactive to include payment of compensation to personnel from and including August 23, 1965, and retroactive to include payment for necessary expenses incurred in preparation for the First Extraordinary Session of 1965 of the General Assembly.

Introduction of Bills and Resolutions

HB 4, by Representatives Wells and Gearheart: AN ACT relating to poll taxes.

HB 5, by Representatives Irick and Sanders: AN ACT relating to property tax rates for school purposes.

Representative Denham asked for a consensus of opinion of the members whether to adjourn until Thursday, August 26.

On the roll call the vote was yeas 45—Allen, Bamberger, Billings, Bondurant, A. Brown, E. Brown, Buky, Caldwell, Carroll, Carter, Chaudoin, Cook, DeMarcus, Farmer, Gearheart, Green, Hinkle, Hislope, Hourigan, Howard, Hunt, Irick, A. Johnson, J. O. Johnson, L. Johnson, Kelly, Maddox, Marcum, McCallum, Miller, J. Morgan, Nicholls, Peace, Pettit, Pile, R. Reynolds, W. Reynolds, Schmidt, Secrest, Tinsley, Watkins, Watson, Wheeler, White, P. Young. Nays 8—Bates, Denham, Hale, Harper, McIntyre, Peniston, Stuart, Wells.

The members voted to adjourn until August 26, 1965.

Representative Denham moved that the House adjourn until 10 a.m., Thursday, August 26, 1965. Agreed.

THURSDAY, AUGUST 26, 1965

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend John L. Hunt, of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Ballenger, Barton, Blythe, E. Brown, Carter, Chaudoin, Farmer, Green, Hislope, A. Johnson, J. E. Johnson, Jones, Jordan, Lassiter, Marcum, F. Morgan, Nicholls, O'Brien, Palmer, R. Reynolds, Sheehan, Taylor, Watkins, Watson, White, Whitlock, A. Young, P. Young.

Recess

Representative Denham moved that the House recess for a public hearing on **HB 1.** Agreed.

The Speaker resumed the Chair and called the House to order.

Representative Denham moved that the reading of the Journal of August 25, 1965, be dispensed with and the same approved. Agreed.

Representative Denham moved that absent members be granted leave of absence. Agreed.

Motions, Petitions, and Communications

HR 10, by Representatives Caldwell and Reichert: A RESOLUTION relating to the recent industrial disaster in Louisville.

WHEREAS, Louisville has suffered its worst industrial disaster in history, with the apparent loss of ten lives and injury to thirty-seven other persons; and

WHEREAS, the toll of dead and injured might have been far worse except for the safety efforts of the DuPont officers and employees and the efforts of thousands of public servants and volunteers;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the House of Representatives of the General Assembly of the Commonwealth of Kentucky go on record as expressing its thanks to the dedicated and tireless efforts of local and state officials, the Louisville and Jefferson County police and firemen, State Police, Civil Defense workers, hospitals, Red Cross, National Guard, press,

radio and television, blood donors, and countless other volunteer workers;

And that the House of Representatives observe a minute of silence today in memory of the victims of this disaster, and offer a silent prayer that our citizens be spared such trials in days and years to come.

Representative Caldwell moved the adoption of **HR 10.** Agreed.

Calendar

HR 3 taken from the Calendar and ordered read at length for the second time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Introduction of Bills and Resolutions

HR 7, by Representatives Sanders and Irick: A CONCURRENT RESOLUTION requesting the Legislative Research Commission to conduct a thorough study of property classification for taxation purposes and prepare recommendations relative to effective taxes to be applied to each classification by state and local tax levying authorities.

HR 11, by Representatives Murphy and Cottengim: A CONCURRENT RESOLUTION relating to the Children's Mental Health Program.

HR 12, by Representative Cottengim: A CONCURRENT RESOLUTION requesting the Governor of the Commonwealth of Kentucky to expand the call for this extraordinary session of the General Assembly to permit it to consider certain matters relating to school districts.

HR 13, by Representatives Murphy and Cottengim: A CONCURRENT RESOLUTION relating to levying of taxes for school districts.

Representative Denham moved that the House adjourn until 7 p.m., Monday, August 30, 1965. Agreed.

MONDAY, AUGUST 30, 1965

FIFTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend James A. Shepherd, of the First Methodist Church, Frankfort.

The roll was called. All present except Representatives Ballenger, Bamberger, Dempsey, Hislope, Houtchens, Jones, Kelly, Marcum, J. Morgan, O'Brien, Taylor, Watson, and Willen.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of August 26, 1965, be dispensed with and the same approved. Agreed.

Motions, Petitions, and Communications

HR 8, by Representative Straney: A RESOLUTION requesting the Governor of the Commonwealth to expand the call of the Extraordinary Session to include consideration of an increase in the Retail Sales and Use Tax.

The Speaker referred **HR 8** to the Committee on Rules.

HR 9, by Representative McNamara: A RESOLUTION relating to taxation.

The Speaker referred **HR 9** to the Committee on Rules.

HR 15, by Representative Billings: A RESOLUTION expressing support for the Cincinnati Redlegs Baseball Team.

WHEREAS, the Cincinnati Redlegs are considered by many Kentuckians to be their "home" team; and

WHEREAS, the Redlegs are now in the stretch drive which, we are sure, will bring them the National League pennant; and

WHEREAS, by expressing our wholehearted support for the Redlegs we hope to give them the added boost necessary during the remainder of the season to finish on top of the National League; and

WHEREAS, every Kentuckian is looking forward to the World Series being played in Cincinnati;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Cincinnati Redlegs Baseball Team be congratulated on their fine showing to date, in the 1965 National League pennant race.

Section 2. That the General Manager of the Cincinnati Redlegs Baseball Team is respectfully requested to reserve for the members of the General Assembly of the Commonwealth of Kentucky two tickets to each game of the World Series to be played in Cincinnati.

Section 3. That the Chief Clerk of the House of Representatives send a copy of this resolution to the General Manager of the Cincinnati Redlegs Baseball Team.

Representative Billings moved the adoption of **HR 15.** Agreed.

HR 14, by Representative Isler: A RESOLUTION requesting the Constitution Revision Assembly to consider a proposition which would allow the General Assembly to call itself into Extraordinary Session when an emergnecy exists in the affairs of the Commonwealth.

WHEREAS, the Constitution Revision Assembly is presently considering means of perfecting a new or amended Constitution; and

WHEREAS, under the present Constitution the General Assembly may be summoned into Extraordinary Session only upon the call of the Governor; and

WHEREAS, when the General Assembly sits in Extraordinary Session it may consider only those subjects which the Governor includes in his proclamation calling the Extraordinary Session; and

WHEREAS, the members of the General Assembly are themselves capable of recognizing when an emergency exists in the affairs of the Commonwealth; and

WHEREAS, in order to better represent the citizens of the Commonwealth, it would be advisable to permit the Genreal Assembly to determine when, in its opinion, it should convene in Extraordinary Session;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Constitution Revision Assembly be requested to consider the proposition for any future or amended Constitution which would allow the General Assembly to convene itself in Extraordinary Session when, in the opinion of the members, an emergency exists in the affairs of the Commonwealth.

Section 2. That a copy of this resolution be forwarded by the Chief Clerk of the House of Representatives to the Chairman of the

Constitution Revision Assembly for consideration by that body.

Representative Isler moved the adoption of **HR 14.** Agreed.

Orders of the Day

HR 3, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 80—Allen, Ashby, Ball, Bamberger, Barber, Barton, Bates, Billings, Blume, Bondurant, A. Brown, E. Brown, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, DeMarcus, Denham, Farmer, Frymire, Gearheart, Green, Hale, Harper, Head, Hinkle, Hislope, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, Isler, A. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maddox, Maury, McCowan, McIntyre, McNamara, Miller, Murphy, Nicholls, Palmer, Peace, Peniston, Pettit, Pile, Reichert, R. Reynolds, W. Reynolds, Russell, Sanders, Sheehan, Smith, Straney, Swinford, Tucker, Wallace, Watkins, Watts, Webster, Wells, Wheeler, White, Whitlock, Willen, Wright, A. Young, P. Young. Nays 1—Blythe.

HR 3 was passed and the title agreed to.

Introduction of Bills and Resolutions

HB 6, by Representative Billings: AN ACT relating to property tax rates.

Representative Denham announced the Rules Committee would meet at 9 a.m., Tuesday, August 31, 1965.

Representative Denham moved that the House adjourn until 10 a.m., Tuesday, August 31, 1965. Agreed.

TUESDAY, AUGUST 31, 1965

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Herbert Ward Jackson, of the Church of the Ascension, Frankfort.

The roll was called. All present except Representatives Harper, Jones, Marcum, O'Brien, Sheehan, Taylor, and Tinsley.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of August 30, 1965, be dispensed with and the same approved. Agreed.

Motions, Petitions, and Communications

HR 16, by Representatives Billings, Bamberger, Cottengim, Murphy, and Schmidt: A RESOLUTION commending Waite Hoyt, the "voice of the Redlegs."

WHEREAS, Waite Hoyt is completing his twenty-fourth year as a broadcaster of the Redlegs baseball games; and

WHEREAS, Waite Hoyt was born September 8, 1899 in Brooklyn, N. Y., and had a twenty-one year major league pitching career during which he won 237 games while losing 182; and

WHEREAS, in twelve World Series he holds an earned run average of 1.83; and

WHEREAS, Waite Hoyt has been very active in helping the underprivileged children of the Cincinnati area; and

WHEREAS, September 5, 1965 will be Waite Hoyt Day at Crosley Field;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Waite Hoyt be and hereby is commended for a fine career as a baseball player, broadcaster, and humanitarian.

Section 2. That the Chief Clerk of the House of Representatives send a copy of this resolution to Waite Hoyt c/o Cincinnati Redlegs, 415 Central Trust Towers, Cincinnati, Ohio.

Representative Billings moved the adoption of **HR 16.** Agreed.

Representative Dempsey moved that **HB 3** be taken from the Committee on Rules and placed into the Calendar.

On the roll call the vote was yeas 23—Bamberger, A. Brown, Caldwell, DeMarcus, Dempsey, Hislope, A. Johnson, J. O. Johnson, J. E. Johnson, Marcum, McCowan, McIntyre, J. Morgan, Peace, Reichert, Russell, Schmidt, Secrest, Stuart, Watson, White, Wright, A. Young. Nays 32—Ashby, Ballenger, Barton, E. Brown, Buky, Chapman, Cottengim, Denham, Farmer, Green, Hale, Hardin, Hourigan, Houtchens, Irick, Kelly, Lankford, Lassiter, Maddox, Murphy, Peniston, Pettit, Pile, W. Reynolds, Sanders, Smith, Straney, Swinford, Tucker, Watkins, Webster, Whitlock.

The motion to take **HB 3** from the Committee on Rules was defeated.

Representative J. O. Johnson moved that the House adjourn until 10 a.m., Wednesday, September 1, 1965.

On the roll call the vote was yeas 38—Ball, Bamberger, Billings, A. Brown, Buky, Caldwell, Cottengim, DeMarcus, Dempsey, Farmer, Frymire, Gearheart, Hoe, Howard, A. Johnson, J. O. Johnson, J. E. Johnson, Marcum, Maury, McCowan, F. Morgan, J. Morgan, Peace, Pile, Reichert, Russell, Sanders, Schmidt, Smith, Straney, Stuart, Swinford, Wallace, Watson, Watts, Willen, Wright, A. Young. Nays 34—Ashby, Barton, Bates, Blume, Bondurant, Bruce, Carroll, Chapman, Cook, Denham, Green, Hale, Hardin, Hourigan, Houtchens, Hunt, Irick, Isler, L. Johnson, Jordan, Kelly, Lankford, Lassiter, McIntyre, Miller, Peniston, Pettit, Render, W. Reynolds, Tucker, Watkins, Webster, Wells, White.

The motion to adjourn was adopted.

WEDNESDAY, SEPTEMBER 1, 1965

SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Dr. Robert J. Laughlin, of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Chaudoin, Green, A. Johnson, J. E. Johnson, Jones, Lassiter, Marcum, O'Brien, Taylor, Watkins, and White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of August 31, 1965, be dispensed with and the same approved. Agreed.

Representative Denham moved that when the House adjourns today that it do so until 10 a.m., Thursday, September 2, 1965. Agreed.

Motions, Petitions, and Communications

HR 20, by Representatives Stuart, Caldwell, Harper, Reichert, Russell, and Wright: A RESOLUTION opposing any production tax or selective, discriminatory taxes on individual items, commodities or industries, and specifically supporting the repeal of the production tax on distilled spirits.

Representative Stuart moved the adoption of **HR 20.**

Representative Stuart withdrew the motion to adopt **HR 20.** The Speaker referred **HR 20** to the Committee on Rules.

HR 19, by Representative Dempsey: A RESOLUTION requesting that a state police officer be stationed in Martin County.

The Speaker referred **HR 19** to the Committee on Rules.

HR 17, by Representatives Hislope, A. Brown, and Peace: A RESOLUTION relating to taxation.

The Speaker referred **HR 17** to the Committee on Rules.

Report of Committees

The Committee on Rules reported **HB 1** with Committee Substitute attached thereto, **HR 11, HB 3, HR 7** and **HR 5** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT relating to revenue and taxation.

WHEREAS, the courts of this Commonwealth, in exercise of their constitutional function, have determined and directed that property be assessed at its fair cash value; and

WHEREAS, that determination of the courts has been succeeded by great anxiety and uncertainty among the citizens of this Commonwealth; and

WHEREAS, it is the desire of the General Assembly to offer reassurance of fiscal responsibility by limiting the revenues derived from ad valorem taxes to insure that injustices do not devolve upon our people; and

WHEREAS, it is the function and duty of this General Assembly to provide the legal framework for fair and equitable taxation to support the services of government which are demanded by its people; and

WHEREAS, there is widespread determination among the people of this Commonwealth that our public services, especially the public school system, shall not be crippled nor impaired by unrealistic or inadequate support; and

WHEREAS, the purpose of taxation is to insure that adequate, but not excessive, revenues are produced in support of essential public services; and

WHEREAS, it is proper and necessary that all taxing districts of this Commonwealth be permitted to function with the approval and consent of those governed in a productive and progressive provision of public services; and

WHEREAS, it is mandatory in our democracy to assure voter participation in the matter of taxation and all public policy; and

WHEREAS, the progress and tranquility of our Commonwealth and our people can be assured best through a common consideration of our common problems and their fair and equitable resolution; and

WHEREAS, it is the duty and the mandate of this Special Assembly to properly and equitably reflect the will of our people to secure their greatest happiness, security, and prosperity;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

Section 1. Section 132.020 of the Kentucky Revised Statutes is amended to read as follows:

An annual ad valorem tax for state purposes of *one and one-half* [five] cents upon each one hundred dollars of value of all real property directed to be assessed for taxation, and *one and one-half* [five] cents upon each one hundred dollars of value of all tobacco directed to be assessed for taxation, and twenty-five cents upon each one hundred dollars of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, *one and one-half* [five] cents upon each one hundred dollars of value of unmanufactured agricultural products, *one-tenth of one cent upon each one hundred dollars of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one cent upon each one hundred dollars of value of all livestock and domestic fowls,* and *fifteen* [fifty] cents upon each one hundred dollars of value of all property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

Section 2. Section 136.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, bus line company, regular route common carrier trucking company, air transport company, pipeline company, common carrier water transportation company, and every other like company or business performing any public service shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services.

(3) The Department of Revenue shall have sole power to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including

those enumerated above and all others to whom this section may apply, whether or not such operating property, nonoperating tangible property, or nonoperating intangible property has heretofore been assessed by said department, and shall, except as provided in subsection (4) of this section, allocate such assessment as provided by KRS 136.170, and shall certify operating property liable to local taxation and nonoperating tangible property to the counties, cities, and taxing districts as provided in KRS 136.180. All of the property assessed by the department pursuant to this section shall be assessed as of December 31 each year for the following year's taxes, and the lien therefor shall attach as of such assessment date. Provided, however, that in the case of a taxpayer whose business is predominantly nonpublic service and the public service business in which he is engaged is merely incidental to his principal business, the department shall in the exercise of its judgment and discretion determine, from evidence which it may have or obtain, what portion of the operating property is devoted to the public service business subject to assessment by the department under this section and shall require the remainder of the property not so engaged to be assessed by the local taxing authorities.

(4) (a) The Department of Revenue shall likewise have sole power to value and assess all the property within the taxing jurisdiction of this Commonwealth of every refrigerator car company, tank car company, coal car company, every like car company, and every irregular route common carrier truck company and may, in determining the proportion of the value of such property within the taxing jurisdiction of Kentucky, take into consideration the car or truck mileage made by the cars or trucks of such companies. The department shall not certify the assessment of the rolling stock of such companies to any county, city, or taxing district, but shall apportion and certify the operating property, other than rolling stock, to the counties, cities, and taxing districts where such property is located. The rolling stock of such companies shall be taxable for state purposes only at the rate of *one dollar* [two dollars and fifty cents] upon each one hundred dollars of value, and shall not be subject to taxation by a county, city, or other taxing district.

(b) The property of taxpayers within the meaning of paragraph (a) of this subsection shall likewise be classified as operating property, nonoperating tangible property, and nonoperating intangible property. The nonoperating intangible property of the companies within the meaning of this subsection which are within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes at the same rate as the intangible property of nonpublic service taxpayers.

PART II

Section 3. Section 160.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each district board of education shall prepare a general school budget on forms prescribed and furnished by the State Board of Education, showing the amount of money needed for current expenses, debt service, capital outlay, and other necessary expenses of the schools during the succeeding fiscal year, the estimated total amount that will be received from the common school fund and other sources, the assessed valuation of property subject to local taxation in the school district furnished as provided in subsection (3) of KRS 160.460, an estimate made by the Department of Revenue of *public service company* [franchise] assessments and assessments of other property in the school district not furnished under the provisions of subsection (3) of KRS 160.460, and the amount that will be needed to be raised by local taxation, including the rate of levy necessary to raise such an amount.

(2) Notwithstanding any statutory provisions to the contrary, no district board of education shall submit a budget which would require more revenue from local ad valorem taxes than would be produced by application of the preceding year's rate to the preceding year's assessment, exclusive of voted levies and net assessment growth as defined in Section 7 of this Act, except as provided in KRS 157.380 (4) and as provided in subsection (4) of this section.

(3) The Superintendent of Public Instruction shall certify to each district board of education, by June 1 of each year, the maximum permissible local ad valorem tax revenue. This amount shall be computed as follows:

(a) The Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.

(b) The Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's effective tax rate to the net assessment growth in each school district. The net assessment growth as determined in accordance with Section 7 of this Act shall be certified to the Superintendent of Public Instruction by the Department of Revenue by May 20 of each year.

(c) The sum of the amounts computed under (a) and (b) of this subsection shall be the maximum permissible local ad valorem tax revenue for purposes of subsection (2) of this section, except as otherwise therein prescribed.

(4) Notwithstanding the limitations contained in subsection (2) of this section, any district board of education which in preparing its proposed budget deems that it will require an amount of revenue greater than that permitted in subsection (2) may submit to the levying authority a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The district board of education shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the district board of education will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement, for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(b) The district board of education shall conduct a public hearing at the place and on the date advertised for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(5) Three copies of the budget shall be filed with the clerk of the tax levying authority of the district within three days after the [school] district *board of education* has received its assessment data. The clerk shall present the budget to the proper tax levying authority when the authority convenes to fix its school levy. The failure of the district board of education to furnish the budget within the time prescribed shall not invalidate any levy made thereafter.

(6) Within three days after the tax levying authority has fixed the tax rate, the district board of education shall forward two copies of the budget to the State Board of Education for its approval or disapproval. The budget shall be disapproved if it is financially unsound or fails to provide for (a) payment of maturing principal of and interest on any outstanding voted school improvement bonds of the school district authorized and issued pursuant to KRS 162.080 and 162.090, with the written approval of the State Board of Education, or (b) payment of rentals in connection with any outstanding school building revenue bonds issued for the benefit of the independent school district or county school district, as the case may be, by the appropriate city or county as authorized and provided under the provisions of KRS 162.120 to 162.300, with the written approval of the State Board of Education, or fails to comply with the law; and the State Board of Education shall state its reason, or reasons, for such

disapproval. In such event the district board of education shall amend its budget, *within the limitations of this section,* to obviate the reasons for disapproval.

(7) If the budget as amended specifies a tax levy different from that levied under the disapproved budget, the tax levying authority shall amend its levy in accordance therewith, so that the levy as amended shall comply with the provisions of subsection (1) of KRS 160.460. No general school budget shall become effective until approved by the State Board of Education.

(8) [(2)] Each district board of education shall, if required by the State Board of Education, prepare and submit to it not later than September 15, a close estimate or working budget which shall conform to the rules and regulations prescribed by the State Board of Education, and which shall be consistent in its major divisions with the general school budget previously prepared.

Section 4. Section 160.476 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of education of any district may, in addition to other taxes requested for school purposes, request the levy of not less than four cents nor more than twenty cents on each one hundred dollars valuation of property subject to local taxation, to provide a special fund for the purchase of sites for school buildings, for the erection and complete equipping of school buildings, and for the major alteration, enlargement and complete equipping of existing buildings, provided, however, that such tax shall come within the maximum school tax levy provided by KRS 160.475. In addition to or in lieu of this special tax, any board of education may pay into this special fund at the close of any fiscal year the proceeds from the sale of land or property no longer needed for school purposes and all or any balances remaining in the general fund over and above the amount necessary for discharging obligations for the fiscal year in full.

(2) The special fund provided for herein shall be kept in a separate account designated as "School Building Fund." The fund shall be kept in a depository selected by the board of education, or invested in bonds of the United States, of this state, or county or municipality in this state, provided however, that such investments shall be approved by the State Board of Education.

(3) All expenditures from such fund shall be made solely for the purposes enumerated herein and shall be made in accordance with the school laws of the state at such times as the board of education determines. The board of education shall cause to be made annually an audit of the building fund by a certified public accountant or by an accountant approved by the State Department of Education.

(4) Notwithstanding the provisions of any other subsection of this section to the contrary, for the 1966 tax year and for all subsequent years no district board of education shall request the levy of a rate under the provisions of this section which exceeds the compensating tax rate as defined in KRS 132.010, except as provided in subsection (5) of this section. The Superintendent of Public Instruction shall certify the compensating tax rate to the district board of education.

(5) Notwithstanding the limitations contained in subsection (4) of this section any district board of education which deems that it will require a rate greater than that permitted in subsection (4) may request an increase which does not exceed the rate prescribed in subsection (4) by more than ten percent after compliance with subsections (4) (a) and (4) (b) of KRS 160.470.

Section 5. Section 160.477 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Upon request of the board of education of any school district, the tax levying authority of the district shall adopt an ordinance or resolution submitting to the qualified voters of the district, the question as to whether a special school building tax rate of not less than five cents nor more than fifty cents as requested by the board shall be levied on each one hundred dollars of property subject to local taxation. This tax levy shall be in addition to the maximum school tax levy provided by KRS 160.*470 (2)* [475]. The income from the tax shall be used for the purchase or lease of school sites and buildings, for the erection and complete equipping of new school buildings, for the major alteration, enlargement and complete equipping of existing buildings, for the purpose of retiring, directly or through rental payments, school revenue bonds issued for such school building improvements, and for the purpose of financing any program for the acquisition, improvement, or building of schools. The question shall be so framed that the voter may by his vote answer "For" or "Against."

(b) The election shall be held at a time fixed in the ordinance or resolution, not less than fifteen or more than thirty days from the time the request of the board is filed with the tax levying authority, and reasonable notice of the election shall be given. The election shall be conducted and carried out in the school district in all respects as required by the general election laws, and shall be held by the same officers as required by the general election laws. The expense of the election shall be borne by the fiscal court except where the election is held in a district embracing a city of the first five classes, in which case the cost of the election shall be borne by the governing body of the city.

(c) If a majority of those voting on the question favor the special school building tax levy, the tax levying authority shall when the next tax rate for the district is fixed levy the special rate specified by the board of education of the school district for the school building fund in addition to the levy provided by KRS 160.*470 (2)* [475].

(2) There may be included, in the maximum levy provided for in KRS 160.*470 (2)* [475], a special levy for building fund purposes as authorized by KRS 160.476, which shall be in addition to the levy authorized by vote as provided in subsection (1) of this section.

(3) In addition to or in lieu of this special tax, any board of education may pay into this special fund at the close of any fiscal year the proceeds from the sale of land or property no longer needed for school purposes and allow any balances *to* remain[ing] in the general fund over and above the amount necessary for discharging obligations for the fiscal year in full.

(4) The special fund provided for in subsection (1) of this section shall be kept in a separate account designated as "Special Voted School Building Fund." The fund shall be kept in the depository selected by the *district* board of education, or invested in bonds of the United States, of this state, or of any county or municipality in this state, provided however, that such investment shall be approved by the State Board of Education.

(5) All expenditures from such fund shall be made solely for the purposes enumerated in this section and shall be made in accordance with the school laws of the state at such times as the *district* board of education determines. The *district* board of education shall cause to be made annually an audit of the building fund by a certified public accountant or by an accountant approved by the State Department of Education.

(6) Notwithstanding the provisions of any other subsection of this section to the contrary, for the 1966 tax year and for all subsequent years no district board of education shall request the levy of a rate under the provisions of this section which exceeds the compensating tax rate as defined in KRS 132.010, except as provided in subsection (7) of this section.

(7) Notwithstanding the limitations contained in subsection (6) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness and payments of rentals in connection with any outstanding school revenue bonds issued under the provisions of Chapter 162 of the Kentucky Revised Statutes.

Section 6. Section 157.440 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the local tax effort required by KRS 157.380, for participation in the equalization account of the public school foundation program fund, such districts or any other district may exceed [this levy or] the maximum [levy] provided by KRS 160.470 *(2)* [475] provided that, upon request of the board, the tax levying authority of the district shall adopt an ordinance or resolution submitting to the qualified voters of the district, in the manner of submitting and voting as prescribed in subsection (1) *(b)* of KRS 160.477, the question [as to] whether a rate *which would produce revenues in excess of the maximum provided by KRS 160.470 (2),* [of more than one dollar and fifty cents or the required local tax effort, whichever is higher,] shall be levied. If a majority of those voting on the question favor the increased rate, the tax levying authority shall, when the next tax rate for the district is fixed, levy the rate requested by the board not to exceed the rate authorized by the voters.

(2) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (3) of this section.

(3) Notwithstanding the limitations contained in subsection (2) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness and payments of rentals in connection with any outstanding school revenue bonds issued under the provisions of Chapter 162 of the Kentucky Revised Statutes.

(4) The Superintendent of Public Instruction shall certify the compensating tax rate to the levying authorities.

Section 7. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

All state and local assessing officials shall maintain a list of all properties which are subject to taxation for school purposes, both real and improvements thereon and tangible personalty, which are added to the tax rolls each year and a list of all such properties which are deleted from the rolls. These lists shall be maintained on the forms and in the manner prescribed by the Department of Revenue. All state and local assessing officials shall certify to the department no later than the first Monday in May of each year the total amount of additions and deletions. The difference between the additions and deletions shall be the net assessment growth for purposes of KRS 160.470 (3) (b), KRS 68.204 (7) (b).

PART III

Section 8. Section 68.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county budget commission, at a meeting or meetings held not later than May 1 of each year, shall make a detailed investigation of each separate activity of the county for which county funds are to be expended by the fiscal court. All expenditures shall be classified into budget units, including:

(a) General expenses of county government.
(b) Protection to persons and property.
(c) General health and sanitation.
(d) Highways and bridges.
(e) Charities, hospitals, infirmaries and corrections.
(f) Recreational.
(g) New property and improvements.
(h) Interest and debt payments.
(i) Miscellaneous and contingent.

(2) The county budget shall have a fund known as the "Sinking Fund Principal Account" and a fund known as the "Sinking Fund Interest Account." There shall be allocated annually to the sinking fund principal account a sum equal to the proportional yearly amount necessary to retire each bond issue of the county at maturity, and to the sinking fund interest account a sum equal to the interest on bonded indebtedness payable during the current budget year.

(3) The county budget commission shall adopt such budget units as may be required by the activities of the county. When necessary, the county budget commission may subdivide any budget unit into separate budget funds so that the cost of each class of expenditures can be ascertained at any time and regulated by the commission according to the financial condition and needs of the county.

(4) The funds set apart in the county budget for a budget unit, or any subdivision thereof, shall constitute a separate budget fund and shall be appropriated and accounted for separately.

(5) The county budget commission, in addition to preparing a reasonable estimate of the funds actually needed for both general and special purposes, shall prepare an estimated statement of receipts to be anticipated from the various sources of income.

(6) Notwithstanding any statutory provisions to the contrary, no county budget commission shall submit a budget which would require more revenue from local ad valorem taxes than would be

produced by application of the preceding year's rate to the preceding year's assessment, exclusive of voted levies and net assessment growth, except as provided in subsection (8) of this section.

(7) The State Local Finance Officer shall certify to each county budget commission, by June 1 of each year, the maximum permissible local ad valorem tax revenue. This amount shall be computed as follows:

(a) The State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.

(b) The State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's effective county rate to the net assessment growth in each county. The net assessment growth as determined in accordance with Section 7 of this Act shall be certified to the State Local Finance Officer by the Department of Revenue by May 20 of each year.

(c) The sum of the amounts computed under subsections (a) and (b) of this section shall be the maximum permissible local ad valorem tax revenue for purposes of subsection (6) of this section, except as otherwise therein prescribed.

(8) Notwithstanding the limitations contained in subsection (6) of this section any county budget commission which, in preparing the proposed budget, deems that it will require an amount of revenue from ad valorem taxes greater than that permitted in subsection (6) may submit to the levying authority a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The county budget commission shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the conuty budget commission will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposals.

(b) The county budget commission shall conduct a public hearing at the place and on the date advertised for the purpose of hearing

comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

Section 9. Section 178.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) If bonds are sold to enable the fiscal court to construct roads and bridges, the fiscal court shall levy a tax of not over twenty cents on the one hundred dollars of the assessed valuation of the county. The tax shall be collected as other county taxes and allocated, first, to the payment of the interest on the bonds, and the balance placed to the credit of a sinking fund for the redemption of the bonds.

(2) Any accumulation in the sinking fund may be loaned by the fiscal court on first mortgage real estate security, on the basis of fifty percent of its value, at the legal rate of interest, which shall accrue to the sinking fund, but before the loan is made all titles shall be looked up and papers approved by the county attorney.

(3) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (4) of this section.

(4) Notwithstanding the limitations contained in subsection (3) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness.

Section 10. Section 178.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any county may submit to the voters at a special election to be held for that purpose, the question of voting a tax of any sum not exceeding twenty cents on the hundred dollars on all property subject by law to local taxation, for the construction of the public roads and bridges of the county, as the fiscal court directs. The order of the fiscal court calling the election shall specify the amount of the tax to be levied each year and the number of years for which the tax may be imposed, not exceeding ten years, and shall also provide that no money in excess of the amount that can be raised by the levy in any one year shall be expended in that year.

(2) The fiscal court may borrow money and issue bonds therefor in advance of the collection of the tax for any year, but the amount borrowed shall not exceed eighty percent of the estimated tax for the

year. The amount of the tax shall be estimated according to the assessment and collection of the preceding year. Any money so borrowed shall be paid out of the money raised from the tax in the year in which the money is borrowed.

(3) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (4) of this section.

(4) Notwithstanding the limitations contained in subsection (3) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness.

PART IV

Section 11. Section 132.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Department" means the Department of Revenue.

(2) "Taxpayer" means any person made liable by law to file a return or pay a tax.

(3) "Real property" includes all lands within this state and improvements thereon.

(4) "Personal property" includes every species and character of property, tangible and intangible, other than real property.

(5) "Resident" means any person who has taken up a place of abode within this state with the intention of continuing to abide in this state; any person who has had his actual or habitual place of abode in this state for the larger portion of the twelve months next preceding the date as of which an assessment is due to be made shall be deemed to have intended to become a resident of this state.

(6) "Compensating tax rate" means that rate which, rounded to the next higher one-tenth of one cent per one hundred dollars of assessed value and applied to the 1966 assessment of the property subject to taxation by a taxing district for the 1965 tax year, produces an amount of revenue approximately equal to that produced in 1965.

Section 12. Section 132.200 of the Kentucky Revised Statutes is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district

in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowls;

(3) Capital stock of building and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufactuing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing;

(5) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loan or loans thereon granted by the United States Government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding *one and one-half* [five] cents on each one hundred dollars of the fair cash value of all unmanufactured tobacco and not exceeding *four and one-half* [fifteen] cents on each one hundred dollars of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(6) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises or corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies.

Section 13. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding any statutory provisions to the contrary, for 1966 and for all subsequent years, no taxing district, other than the state, counties, school districts, and cities, shall levy a tax rate which exceeds the compensating tax rate defined in KRS 132.010.

PART V

Section 14. Section 157.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before July 1 of each year the Department of Revenue shall determine the aggregate assessed value of all property subject to assessment for school tax purposes, and shall determine the percentage the equalized value of property in each district is of the total equalized value of all property in the Commonwealth subject to taxation for school purposes and shall certify such information to the Superintendent of Public Instruction for use in determining the required local tax effort for each district. In school districts where the required local tax effort includes assessments on which tax payments may be legally deferred, the local district board of education may request the State Board of Education to adjust the assessment of such property in order to reduce the required local tax effort during any year in which the estimated taxes to be received are at least fifteen percent less than the taxes that would be received if tax payments were on a current basis. Upon receipt of such request, the State Board of Education shall ask the *Department of Revenue* [Revenue Department] to verify the fact that the request is reasonable and that on the basis of the best information available, the taxes to be received will be at least fifteen percent less than the taxes that would be received if payments were on a current basis. If the request is approved by the State Board of Education and the *Department of Revenue* [Revenue Department], the following procedure shall be followed by the *Department of Revenue* [Revenue Department] in adjusting assessments on such property for purposes of KRS 157.380:

(a) Determine the revenue the district can reasonably expect to receive from tax payments on property on which deferred tax payments are permitted by law.

(b) Calculate the adjusted assessed valuation of property to be used for purposes of KRS 153.380 by dividing the revenue the district expects to receive by the local tax rate in dollars and multiply the quotient by 100.

(c) Differences between estimated and actual receipts in any fiscal year shall be carried forward to the next fiscal year and reflected in the receipts for that year in calculating adjusted assessments for property subject to deferred tax payments.

(d) An accurate record of adjusted assessments shall be kept from year to year in order that the local school district may be put on an actual assessment basis as soon as possible for purposes of KRS 157.380.

(2) If such assessment has not become final by July 1 of any year, the Department of Revenue shall, on the basis of other information as may be available, make an estimate of the assessment of all property subject to local school tax in each school district and the estimate shall be used in lieu of the aggregate assessed value.

(3) Except as provided in subsection (1) of this section, in determining the required local tax effort for districts which participate in the public school foundation program fund, the Superintendent of Public Instruction shall divide the aggregate assessed value of all property in the Commonwealth subject to taxation for school purposes by one hunderd and multiply the quotient thereof by one dollar and ten cents [,] *for the fiscal year 1965-1966, provided, however, for the fiscal year 1966-1967 and each year thereafter, the aggregate required local effort for all the school districts shall be increased or decreased by the percentage the aggregate net assessment growth as defined in Section 7 of this Act is of the preceding year's total equalized value of all property subject to taxation for school purposes.* The product thereby obtained shall be multiplied by each district's percentage of the total equalized value of all property in the Commonwealth subject to taxation for school purposes.

(4) Any district's levy shall be at such rate as is necessary to provide the required local tax effort.

PART VI

Section 15. If any provision, clause, or phrase of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or application of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are declared to be separable.

Committee Substitute, HB 1, AN ACT relating to revenue and taxation.

WHEREAS, the courts of this Commonwealth, in exercise of their constitutional function, have determined and directed that property be assessed at its fair cash value; and

WHEREAS, that determination of the courts has been succeeded by great anxiety and uncertainty among the citizens of this Commonwealth; and

WHEREAS, it is the desire of the General Assembly to offer reassurance of fiscal responsibility by limiting the revenues derived from ad valorem taxes to insure that injustices do not devolve upon our people; and

WHEREAS, it is the function and duty of this General Assembly to provide the legal framework for fair and equitable taxation to support the services of government which are demanded by its people; and

WHEREAS, there is widespread determination among the people of this Commonwealth that our public services, especially the public school system, shall not be crippled nor impaired by unrealistic or inadequate support; and

WHEREAS, the purpose of taxation is to insure that adequate, but not excessive, revenues are produced in support of essential public services; and

WHEREAS, it is proper and necessary that all taxing districts of this Commonwealth be permitted to function with the approval and consent of those governed in a productive and progressive provision of public services; and

WHEREAS, it is mandatory in our democracy to assure voter participation in the matter of taxation and all public policy; and

WHEREAS, the progress and tranquility of our Commonwealth and our people can be assured best through a common consideration of our common problems and their fair and equitable resolution; and

WHEREAS, it is the duty and the mandate of this Special Assembly to properly and equitably reflect the will of our people to secure their greatest happiness, security, and prosperity,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

Section 1. Section 132.020 of the Kentucky Revised Statutes is amended to read as follows:

An annual ad valorem tax for state purposes of *one and one-half* [five] cents upon each one hundred dollars of value of all real property directed to be assessed for taxation, and *one and one-half* [five] cents upon each one hundred dollars of value of all tobacco directed to be assessed for taxation, and twenty-five cents upon each one hundred dollars of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, *one and one-half* [five] cents upon each one hundred dollars of value of unmanufactured agricultural products, *one-tenth of one cent upon each one hundred dollars of value of all farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operations, one-tenth of one*

cent upon each one hundred dollars of value of all livestock and domestic fowls, and *fifteen* [fifty] cents upon each one hundred dollars of value of all property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

Section 2. Section 136.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, bus line company, regular route common carrier trucking company, air transport company, pipeline company, common carrier water transportation company, and every other like company or business performing any public service shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services.

(3) The Department of Revenue shall have sole power to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including those enumerated above and all others to whom this section may apply, whether or not such operating property, nonoperating tangible property, or nonoperating intangible property has heretofore been assessed by said department, and shall, except as provided in subsection (4) of this section, allocate such assessment as provided by KRS 136.170, and shall certify operating property liable to local taxation and nonoperating tangible property to the counties, cities, and taxing districts as provided in KRS 136.180. All of the property assessed by the department pursuant to this section shall be assessed as of December 31 each year for the following year's taxes, and the lien therefor shall attach as of such assessment date. Provided, however, that in the case of a taxpayer whose business is predominantly

nonpublic service and the public service business in which he is engaged is merely incidental to his principal business, the department shall in the exercise of its judgment and discretion determine, from evidence which it may have or obtain, what portion of the operating property is devoted to the public service business subject to assessment by the department under this section and shall require the remainder of the property not so engaged to be assessed by the local taxing authorities.

(4) (a) The Department of Revenue shall likewise have sole power to value and assess all the property within the taxing jurisdiction of this Commonwealth of every refrigerator car company, tank car company, coal car company, every like car company, and every irregular route common carrier truck company and may, in determining the proportion of the value of such property within the taxing jurisdiction of Kentucky, take into consideration the car or truck mileage made by the cars or trucks of such companies. The department shall not certify the assessment of the rolling stock of such companies to any county, city, or taxing district, but shall apportion and certify the operating property, other than rolling stock, to the counties, cities, and taxing districts where such property is located. The rolling stock of such companies shall be taxable for state purposes only at the rate of *one dollar* [two dollars and fifty cents] upon each one hundred dollars of value, and shall not be subject to taxation by a county, city, or other taxing district.

(b) The property of taxpayers within the meaning of paragraph (a) of this subsection shall likewise be classified as operating property, nonoperating tangible property, and nonoperating intangible property. The nonoperating intangible property of the companies within the meaning of this subsection which are within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes at the same rate as the intangible property of nonpublic service taxpayers.

PART II

Section 3. Section 160.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each district board of education shall prepare a general school budget on forms prescribed and furnished by the State Board of Education, showing the amount of money needed for current expenses, debt service, capital outlay, and other necessary expenses of the schools during the succeeding fiscal year, the estimated total amount that will be received from the common school fund and other sources, the assessed valuation of property subject to local taxation in the school district furnished as provided in subsection (3) of KRS

160.460, an estimate made by the Department of Revenue of *public service company* [franchise] assessments and assessments of other property in the school district not furnished under the provisions of subsection (3) of KRS 160.460, and the amount that will be needed to be raised by local taxation, including the rate of levy necessary to raise such an amount.

(2) *Notwithstanding any statutory provisions to the contrary, no district board of education shall submit a budget which would require more revenue from local ad valorem taxes than would be produced by application of the preceding year's rate to the preceding year's assessment, exclusive of voted levies and net assessment growth as defined in Section 7 of this Act, except as provided in KRS 157.380 (4) and as provided in subsection (4) of this section. In the event of a merger of school districts, the limitations contained in this section shall be based upon the combined revenue of the merging districts, as computed under the provisions of this section.*

(3) *The Superintendent of Public Instruction shall certify to each district board of education, by June 1 of each year, the maximum permissible local ad valorem tax revenue. This amount shall be computed as follows:*

(a) The Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.

(b) The Superintendent of Public Instruction shall determine the total amount of ad valorem tax revenue which would be produced by application of the preceding year's effective tax rate to the net assessment growth in each school district. The net assessment growth as determined in accordance with Section 7 of this Act shall be certified to the Superintendent of Public Instruction by the Department of Revenue by May 20 of each year.

(c) The sum of the amounts computed under (a) and (b) of this subsection shall be the maximum permissible local ad valorem tax revenue for purposes of subsection (2) of this section, except as otherwise therein prescribed.

(4) Notwithstanding the limitations contained in subsection (2) of this section, any district board of education which in preparing its proposed budget deems that it will require an amount of revenue greater than that permitted in subsection (2) may submit to the levying authority for the school years 1966-1967 and 1967-1968 a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The district board of education shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the district board of education will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement, for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(b) The district board of education shall conduct a public hearing at the place and on the date advertised for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

(5) Three copies of the budget shall be filed with the clerk of the tax levying authority of the district within three days after the [school] district *board of education* has received its assessment data. The clerk shall present the budget to the proper tax levying authority when the authority convenes to fix its school levy. The failure of the district board of education to furnish the budget within the time prescribed shall not invalidate any levy made thereafter.

(6) Within three days after the tax levying authority has fixed the tax rate, the district board of education shall forward two copies of the budget to the State Board of Education for its approval or disapproval. The budget shall be disapproved if it is financially unsound or fails to provide for (a) payment of maturing principal of and interest on any outstanding voted school improvement bonds of the school district authorized and issued pursuant to KRS 162.080 and 162.090, with the written approval of the State Board of Education, or (b) payment of rentals in connection with any outstanding school building revenue bonds issued for the benefit of the independent school district or county school district, as the case may be, by the appropriate city or county as authorized and provided under the provisions of KRS 162.120 to 162.300, with the written approval of the State Board of Education, or fails to comply with the law; and the State Board of Education shall state its reason, or reasons, for such disapproval. In such event the district board of education shall amend its budget, *within the limitations of this section,* to obviate the reasons for disapproval.

(7) If the budget as amended specifies a tax levy different from that levied under the disapproved budget, the tax levying authority shall amend its levy in accordance therewith, so that the levy as

amended shall comply with the provisions of subsection (1) of KRS 160.460. No general school budget shall become effective until approved by the State Board of Education.

(8) [(2)] Each district board of education shall, if required by the State Board of Education, prepare and submit to it not later than September 15, a close estimate or working budget which shall conform to the rules and regulations prescribed by the State Board of Education, and which shall be consistent in its major divisions with the general school budget previously prepared.

Section 4. Section 160.476 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of education of any district may, in addition to other taxes requested for school purposes, request the levy of not less than four cents nor more than twenty cents on each one hundred dollars valuation of property subject to local taxation, to provide a special fund for the purchase of sites for school buildings, for the erection and complete equipping of school buildings, and for the major alteration, enlargement and complete equipping of existing buildings, provided, however, that such tax shall come within the maximum school tax levy provided by KRS 160.475. In addition to or in lieu of this special tax, any board of education may pay into this special fund at the close of any fiscal year the proceeds from the sale of land or property no longer needed for school purposes and all or any balances remaining in the general fund over and above the amount necessary for discharging obligations for the fiscal year in full.

(2) The special fund provided for herein shall be kept in a separate account designated as "School Building Fund." The fund shall be kept in a depository selected by the board of education, or invested in bonds of the United States, of this state, or county or municipality in this state, provided however, that such investments shall be approved by the State Board of Education.

(3) All expenditures from such fund shall be made solely for the purposes enumerated herein and shall be made in accordance with the school laws of the state at such times as the board of education determines. The board of education shall cause to be made annually an audit of the building fund by a certified public accountant or by an accountant approved by the State Department of Education.

(4) Notwithstanding the provisions of any other subsection of this section to the contrary, for the 1966 tax year and for all subsequent years no district board of education shall request the levy of a rate under the provisions of this section which exceeds the compensating tax rate as defined in KRS 132.010. The Superintendent of

Public Instruction shall certify the compensating tax rate to the district board of education.

Section 5. Section 160.477 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Upon request of the board of education of any school district, the tax levying authority of the district shall adopt an ordinance or resolution submitting to the qualified voters of the district, the question as to whether a special school building tax rate of not less than five cents nor more than fifty cents as requested by the board shall be levied on each one hundred dollars of property subject to local taxation. This tax levy shall be in addition to the maximum school tax levy provided by KRS 160.*470 (2)* [475]. The income from the tax shall be used for the purchase or lease of school sites and buildings, for the erection and complete equipping of new school buildings, for the major alteration, enlargement and complete equipping of existing buildings, for the purpose of retiring, directly or through rental payments, school revenue bonds issued for such school building improvements, and for the purpose of financing any program for the acquisition, improvement, or building of schools. The question shall be so framed that the voter may by his vote answer "For" or "Against."

(b) The election shall be held at a time fixed in the ordinance or resolution, not less than fifteen or more than thirty days from the time the request of the board is filed with the tax levying authority, and reasonable notice of the election shall be given. The election shall be conducted and carried out in the school district in all respects as required by the general election laws, and shall be held by the same officers as required by the general election laws. The expense of the election shall be borne by the fiscal court except where the election is held in a district embracing a city of the first five classes, in which case the cost of the election shall be borne by the governing body of the city.

(c) If a majority of those voting on the question favor the special school building tax levy, the tax levying authority shall when the next tax rate for the district is fixed levy the special rate specified by the board of education of the school district for the school building fund in addition to the levy provided by KRS 160.*470 (2)* [475].

(2) There may be included, in the maximum levy provided for in KRS 160.*470 (2)* [475], a special levy for building fund purposes as authorized by KRS 160.476, which shall be in addition to the levy authorized by vote as provided in subsection (1) of this section.

(3) In addition to or in lieu of this special tax, any board of education may pay into this special fund at the close of any fiscal

year the proceeds from the sale of land or property no longer needed for school purposes and allow any balances *to* remain[ing] in the general fund over and above the amount necessary for discharging obligations for the fiscal year in full.

(4) The special fund provided for in subsection (1) of this section shall be kept in a separate account designated as "Special Voted School Building Fund." The fund shall be kept in the depository selected by the *district* board of education, or invested in bonds of the United States, of this state, or of any county or municipality in this state, provided however, that such investment shall be approved by the State Board of Education.

(5) All expenditures from such fund shall be made solely for the purposes enumerated in this section and shall be made in accordance with the school laws of the state at such times as the *district* board of education determines. The *district* board of education shall cause to be made annually an audit of the building fund by a certified public accountant or by an accountant approved by the State Department of Education.

(6) Notwithstanding the provisions of any other subsection of this section to the contrary, for the 1966 tax year and for all subsequent years no district board of education shall request the levy of a rate under the provisions of this section which exceeds the compensating tax rate as defined in KRS 132.010, except as provided in subsection (7) of this section, and except that a rate which has been approved by the voters under this section but which was not levied by the district board of education in 1965 may be levied after it has been reduced to the compensating tax rate as defined in KRS 132.010.

(7) Notwithstanding the limitations contained in subsection (6) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness and payments of rentals in connection with any outstanding school revenue bonds issued under the provisions of Chapter 162 of the Kentucky Revised Statutes.

Section 6. Section 157.440 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the local tax effort required by KRS 157.380, for participation in the equalization account of the public school foundation program fund, such districts or any other district may exceed [this levy or] the maximum [levy] provided by KRS 160.*470 (2)* [475] provided that, upon request of the board, the tax levying authority of the district shall adopt an ordinance or resolution submitting to the qualified voters of the district, in the manner of submitting and voting as prescribed in subsection (1) *(b)* of KRS 160.477,

the question [as to] whether a rate *which would produce revenues in excess of the maximum provided by KRS 160.470 (2).* [of more than one dollar and fifty cents or the required local tax effort, whichever is higher.] shall be levied. If a majority of those voting on the question favor the increased rate, the tax levying authority shall, when the next tax rate for the district is fixed, levy the rate requested by the board not to exceed the rate authorized by the voters.

(2) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (3) of this section and except that a rate which has been approved by the voters under this section but which was not levied by the district board of education in 1965 may be levied after it has been reduced to the compensating tax rate as defined in KRS 132.010.

(3) Notwithstanding the limitations contained in subsection (2) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness and payments of rentals in connection with any outstanding school revenue bonds issued under the provisions of Chapter 162 of the Kentucky Revised Statutes.

(4) The Superintendent of Public Instruction shall certify the compensating tax rate to the levying authorities.

Section 7. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

All state and local assessing officials shall maintain a list of all properties which are subject to taxation for school purposes, both real and improvements thereon and tangible personalty, which are added to the tax rolls each year and a list of all such properties which are deleted from the rolls. These lists shall be maintained on the forms and in the manner prescribed by the Department of Revenue. All state and local assessing officials shall certify to the department no later than the first Monday in May of each year the total amount of additions and deletions. The difference between the additions and deletions shall be the net assessment growth for purposes of KRS 160.470 (3) (b), and KRS 68.240 (7) (b).

PART III

Section 8. Section 68.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county budget commission, at a meeting or meetings

held not later than May 1 of each year, shall make a detailed investigation of each separate activity of the county for which county funds are to be expended by the fiscal court. All expenditures shall be classified into budget units, including:

(a) General expenses of county government.
(b) Protection to persons and property.
(c) General health and sanitation.
(d) Highways and bridges.
(e) Charities, hospitals, infirmaries and corrections.
(f) Recreational.
(g) New property and improvements.
(h) Interest and debt payments.
(i) Miscellaneous and contingent.

(2) The county budget shall have a fund known as the "Sinking Fund Principal Account" and a fund known as the "Sinking Fund Interest Account." There shall be allocated annually to the sinking fund principal account a sum equal to the proportional yearly amount necessary to retire each bond issue of the county at maturity, and to the sinking fund interest account a sum equal to the interest on bonded indebtedness payable during the current budget year.

(3) The county budget commission shall adopt such budget units as may be required by the activities of the county. When necessary, the county budget commission may subdivide any budget unit into separate budget funds so that the cost of each class of expenditures can be ascertained at any time and regulated by the commission according to the financial condition and needs of the county.

(4) The funds set apart in the county budget for a budget unit, or any subdivision thereof, shall constitute a separate budget fund and shall be appropriated and accounted for separately.

(5) The county budget commission, in addition to preparing a reasonable estimate of the funds actually needed for both general and special purposes, shall prepare an estimated statement of receipts to be anticipated from the various sources of income.

(6) Notwithstanding any statutory provisions to the contrary, no county budget commission shall submit a budget which would require more revenue from local ad valorem taxes than would be produced by application of the preceding year's rate to the preceding year's assessment, exclusive of voted levies and net assessment growth, except as provided in subsection (8) of this section.

(7) The State Local Finance Officer shall certify to each county budget commission, by June 1 of each year, the maximum permissible local ad valorem tax revenue. This amount shall be computed as follows:

(a) The State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's rate to the preceding year's assessment.

(b) The State Local Finance Officer shall determine the total amount of local ad valorem tax revenue which would be produced by application of the preceding year's effective county rate to the net assessment growth in each county. The net assessment growth as determined in accordance with Section 7 of this Act shall be certified to the State Local Finance Officer by the Department of Revenue by May 20 of each year.

(c) The sum of the amounts computed under subsections (a) and (b) of this section shall be the maximum permissible local ad valorem tax revenue for purposes of subsection (6) of this section, except as otherwise therein prescribed.

(8) Notwithstanding the limitations contained in subsection (6) of this section any county budget commission which, in preparing the proposed budget, deems that it will require an amount of revenue from ad valorem taxes greater than that permitted in subsection (6) may submit to the levying authority for the tax years 1966 and 1967 a budget which could require an increase in such revenue of not more than ten percent after compliance with the following:

(a) The county budget commission shall give notice of any proposed increase in revenue. Notwithstanding any statutory provisions to the contrary, notice shall be given by causing to be published, at least one time in a newspaper of general circulation published in the county or by posting at the courthouse door if there be no such newspaper, the fact that said increase of not exceeding ten percent is being proposed. Said advertisement shall state that the county budget commission will meet at a place and on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertisement for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposals.

(b) The county budget commission shall conduct a public hearing at the place and on the date advertised for the purpose of hearing comments and complaints regarding the proposed increase and explaining the reasons for such proposal.

Section 9. Section 178.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) If bonds are sold to enable the fiscal court to construct roads and bridges, the fiscal court shall levy a tax of not over twenty

cents on the one hundred dollars of the assessed valuation of the county. The tax shall be collected as other county taxes and allocated, first, to the payment of the interest on the bonds, and the balance placed to the credit of a sinking fund for the redemption of the bonds.

(2) Any accumulation in the sinking fund may be loaned by the fiscal court on first mortgage real estate security, on the basis of fifty percent of its value, at the legal rate of interest, which shall accrue to the sinking fund, but before the loan is made all titles shall be looked up and papers approved by the county attorney.

(3) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (4) of this section.

(4) Notwithstanding the limitations contained in subsection (3) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness.

Section 10. Section 178.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any county may submit to the voters at a special election to be held for that purpose, the question of voting a tax of any sum not exceeding twenty cents on the hundred dollars on all property subject by law to local taxation, for the construction of the public roads and bridges of the county, as the fiscal court directs. The order of the fiscal court calling the election shall specify the amount of the tax to be levied each year and the number of years for which the tax may be imposed, not exceeding ten years, and shall also provide that no money in excess of the amount that can be raised by the levy in any one year shall be expended in that year.

(2) The fiscal court may borrow money and issue bonds therefor in advance of the collection of the tax for any year, but the amount borrowed shall not exceed eighty percent of the estimated tax for the year. The amount of the tax shall be estimated according to the assessment and collection of the preceding year. Any money so borrowed shall be paid out of the money raised from the tax in the year in which the money is borrowed.

(3) For the 1966 tax year and for all subsequent years the rate levied by the levying authority under the provisions of this section for levies which were approved prior to the effective date of this Act shall be the compensating tax rate as defined in KRS 132.010, except as provided in subsection (4) of this section.

(4) Notwithstanding the limitations contained in subsection (3) of this section no tax rate shall be set lower than that necessary to provide such funds as are required to meet principal and interest payments on outstanding bonded indebtedness.

PART IV

Section 11. Section 132.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Department" means the Department of Revenue.

(2) "Taxpayer" means any person made liable by law to file a return or pay a tax.

(3) "Real property" includes all lands within this state and improvements thereon.

(4) "Personal property" includes every species and character of property, tangible and intangible, other than real property.

(5) "Resident" means any person who has taken up a place of abode within this state with the intention of continuing to abide in this state; any person who has had his actual or habitual place of abode in this state for the larger portion of the twelve months next preceding the date as of which an assessment is due to be made shall be deemed to have intended to become a resident of this state.

(6) "Compensating tax rate" means that rate which, rounded to the next higher one-tenth of one cent per one hundred dollars of assessed value and applied to the 1966 assessment of the property subject to taxation by a taxing district for the 1965 tax year, produces an amount of revenue approximately equal to that produced in 1965.

Section 12. Section 132.200 of the Kentucky Revised Statutes is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowls;

(3) Capital stock of building and loan associations;

(4) Machinery and products in course of manufacture, of in-

dividuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plant for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant shall be deemed to be actually engaged in manufacturing;

(5) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loan or loans thereon granted by the United States Government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding *one and one-half* [five] cents on each one hundred dollars of the fair cash value of all unmanufactured tobacco and not exceeding *four and one-half* [fifteen] cents on each one hundred dollars of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(6) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises or corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies.

Section 13. A new section of Chapter 132 of the Kentucky Revised Statutes is created to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, for 1966 and for all subsequent years, no taxing district, other than the state, counties, school districts, and cities, shall levy a tax rate which exceeds the compensating tax rate defined in KRS 132.010.

(2) For the 1966 tax year and for all subsequent years, the combined city and school tax rate provided for in KRS 132.150 shall be limited by the compensating tax rate defined in KRS 132.010.

(3) Notwithstanding the limitations contained in subsection (2) of this section, that portion of the combined city and school compensating tax rate prescribed in subsection (2) levied for school purposes may be increased by an amount within the limitations contained in KRS 160.470 (4) after compliance with subsections (4) (a) and (4) (b) of KRS 160.470.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Notwithstanding any statutory provisions to the contrary, no city shall levy a rate which exceeds the compensating tax rate defined in KRS 132.010, except as provided in subsection (2) of this section.

(2) Notwithstanding the limitations contained in subsection (1) of this section, any city which deems that it will require a rate greater than that permitted in subsection (1) may levy a rate which does not exceed the rate prescribed in subsection (1) by more than ten percent for each of the two taxable years subsequent to the effective date of this Act, after compliance with the notice and hearing provisions contained in Section 68.240 of the Kentucky Revised Statutes. The applicable city governmental unit shall give the required notice and conduct the hearing; and in the event there is no newspaper of general circulation, said notice shall be posted on the door of the city administrative building.

PART V

Section 15. Section 157.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before July 1 of each year the Department of Revenue shall determine the aggregate assessed value of all property subject to assessment for school tax purposes, and shall determine the percentage the equalized value of property in each district is of the total equalized value of all property in the Commonwealth subject to taxation for school purposes and shall certify such information to the Superintendent of Public Instruction for use in determining the required local tax effort for each district. In school districts where the required local tax effort includes assessments on which tax payments may be legally deferred, the local district board of education may request the State Board of Education to adjust the assessment of such property in order to reduce the required local tax effort during any year in which the estimated taxes to be received are at least fifteen percent less than the taxes that would be received if tax payments were on a current basis. Upon receipt of such request, the State Board of Education shall ask the *Department of Revenue* [Revenue Department] to verify the fact that the request is reasonable and that on the basis of the best information available, the taxes to be received will be at least fifteen percent less than the taxes that would be received if payments were on a current basis. If the request is approved by the State Board of Education and the *Department of Revenue* [Revenue Department], the following procedure shall be followed by the *Department of Revenue* [Revenue Department] in

adjusting assessments on such property for purposes of KRS 157.380:

(a) Determine the revenue the district can reasonably expect to receive from tax payments on property on which deferred tax payments are permitted by law.

(b) Calculate the adjusted assessed valuation of property to be used for purposes of KRS 157.380 by dividing the revenue the district expects to receive by the local tax rate in dollars and multiply the quotient by 100.

(c) Differences between estimated and actual receipts in any fiscal year shall be carried forward to the next fiscal year and reflected in the receipts for that year in calculating adjusted assessments for property subject to deferred tax payments.

(d) An accurate record of adjusted assessments shall be kept from year to year in order that the local school district may be put on an actual assessment basis as soon as possible for purposes of KRS 157.380.

(2) If such assessment has not become final by July 1 of any year, the Department of Revenue shall, on the basis of other information as may be available, make an estimate of the assessment of all property subject to local school tax in each school district and the estimate shall be used in lieu of the aggregate assessed value.

(3) Except as provided in subsection (1) of this section, in determining the required local tax effort for districts which participate in the public school foundation program fund, the Superintendent of Public Instruction shall divide the aggregate assessed value of all property in the Commonwealth subject to taxation for school purposes by one hundred and multiply the quotient thereof by one dollar and ten cents [,] *for the fiscal year 1965-1966, provided, however, for the fiscal year 1966-1967 and each year thereafter, the aggregate required local effort for all the school districts shall be increased or decreased by the percentage the aggregate net assessment growth as defined in Section 7 of this Act is of the preceding year's total equalized value of all property subject to taxation for school purposes.* The product thereby obtained shall be multiplied by each district's percentage of the total equalized value of all property in the Commonwealth subject to taxation for school purposes.

(4) Any district's levy shall be at such rate as is necessary to provide the required local tax effort.

PART VI

Section 16. If any provision, clause, or phrase of this Act or the application thereof to any person or circumstance is held invalid,

such invalidity shall not affect other provisions or application of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are declared to be separable.

HR 11, A CONCURRENT RESOLUTION relating to the Children's Mental Health Program.

WHEREAS, there are many young Americans afflicted with emotional and mental illness who are in need of appropriate medical care and facilities capable of restoring them to a full and useful life; and

WHEREAS, at the present time, the programs and facilities available to these children in the Commonwealth are inadequate to meet this most pressing health challenge to tomorrow's adults; and

WHEREAS, it is the birthright of every young American to be free from the untreated and uncontrolled anguish of mental and emotional illness;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Department of Child Welfare conduct an immediate study and devise an adequate program for Kentucky's mentally disturbed children and submit this study and program to the 1966 General Assembly, prior to the expiration of that General Assembly on December 31, 1967.

Section 2. That the chief clerk of the House of Representatives forward a copy of this resolution to the Director, State Department of Mental Health, Louisville, Kentucky, and a copy to the Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky, requesting immediate action be taken to provide adequate medical care and facilities and make these facilities available to Kentucky's emotionally and mentally disturbed children.

HB 3, AN ACT relating to property tax rates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 68.090 is amended to read:

(1) For county purposes the fiscal court of each county may levy a poll tax on each male resident of the county who is of the age of twenty-one years or over and is not exempt under KRS 142.020,

and shall levy an ad valorem tax on all property subject to county taxation. This section does not authorize the fiscal court to levy a tax to pay any railroad bonded indebtedness or any interest thereon. The poll tax shall not exceed one dollar and fifty cents on each person taxed, and the ad valorem tax shall not exceed *twenty* [fifty] cents on each one hundred dollars' worth of property taxed; except that, if an additional tax is required to pay the principal or interest on indebtedness of the county or a taxing district therein incurred prior to the adoption of the Constitution, the fiscal court may levy such additional tax as is authorized by law in force prior to the adoption of the Constitution.

(2) It is further provided that in any county which has under the law now in force established itself as a tubercular district the fiscal court shall levy a tax sufficient to maintain a tubercular institution and to provide for the salaries of the medical staff thereof and any other necessary expenses incident thereto taking into consideration any federal, state, or private financial assistance which may be given to such institution or which by existing law or that hereafter enacted such institution may be entitled to receive. Such levy shall be an ad valorem tax on all property subject to county taxation and shall not exceed ten cents on each one hundred dollars' worth of property so taxed and such ten cents shall be an additional tax to the fifty cents ad valorem tax limitation hereinbefore provided for.

Section 2. KRS 132.020 is amended to read:

An annual ad valorem tax for state purposes of *one* [five] cent[s] upon each one hundred dollars of value of all real property directed to be assessed for taxation, and *one* [five] cent[s] upon each one hundred dollars of value of all tobacco directed to be assessed for taxation, and twenty-five cents upon each one hundred dollars of value of all money in hand, shares of stock, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, *one* [five] cent[s] upon each one hundred dollars of value of unmanufactured agricultural products, and fifty cents upon each one hundred dollars of value of all property directed to be assessed for taxation shall be paid by the owner or person assessed except as provided in KRS 132.030, 132.050, 132.200, 136.270, 136.300, 136.320 and other sections providing a different tax rate for particular property.

Section 3. KRS 157.440 is amended to read:

In addition to the local tax effort required by KRS 157.380, for participation in the equalization account of the public school foundation program fund, such districts or any other district may exceed this levy or the maximum provided by KRS 160.475 provided that, upon request of the board, the tax levying authority of the district

shall adopt an ordinance or resolution submitting to the qualified voters of the district, in the manner of submitting and voting as prescribed in subsection (1) of KRS 160.477, the question as to whether a rate of more than *sixty* [one dollar and fifty] cents or the required local tax effort, whichever rate is higher, shall be levied. If a majority of those voting on the question favor the increased rate, the tax levying authority shall, when the next tax rate for the district is fixed, levy the rate requested by the board not to exceed the rate authorized by the voters.

Section 4. KRS 160.475 is amended to read:

(1) The ad valorem tax levy for school purposes, other than sinking fund purposes, in each school district, shall be not less than twenty-five cents annually on each one hundred dollars of property subject to local taxation nor more than *sixty* [one dollar and fifty] cents annually on each one hundred dollars of property subject to local taxation.

(2) The board of education of any district may request the levy of a poll tax, not exceeding two dollars on each male inhabitant within the district over twenty-one years of age who is not exempt by law from payment of poll tax.

(3) All existing subdistrict school tax levies, except those required to retire voted bonds, are hereby abolished.

HR 7, A CONCURRENT RESOLUTION requesting the Legislative Research Commission to conduct a thorough study of property classification for taxation purposes and prepare recommendations relative to effective taxes to be applied to each classification by state and local tax levying authorities.

WHEREAS, Section 171 of the Constitution directs the General Assembly of the Commonwealth of Kentucky to provide by law an annual tax sufficient to defray the estimated expenses of the Commonwealth for each fiscal year, and

WHEREAS, said section provides that the General Assembly shall have power to divide property into classes and to determine what class or classes of property shall be subject to local taxation, and

WHEREAS, there exists a need for the General Assembly to be informed as thoroughly as possible regarding matters of taxation and classification,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the Legislative Research Commission is directed to make a thorough study of classification of property for taxation and to make recommendations relative to the effective rates to be applied to each classification by state and local taxing agencies;

That the Legislative Research Commission report its findings from this investigation to the 1966 regular session of the General Assembly.

HR 5, A CONCURRENT RESOLUTION directing the Legislative Research Commission to make a study of school districts.

WHEREAS, there exists among the citizens of this Commonwealth concern as to the adequacy of the organization of school districts and their administration; and

WHEREAS, it is deemed to be in the public interest that a comprehensive study and report of these subjects be available to this body;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission is directed to make a comprehensive study of the organization and administration of school districts in Kentucky.

Section 2. That said study shall place special emphasis upon the areas of the election of members of school boards, their terms, the size and composition of school districts, the manner of merger of school districts, the authority and duties of superintendents of school and the members of school boards, and the administration of the school program in the 201 school districts.

Section 3. That the Superintendent of Public Instruction of Kentucky, the superintendents of school and the members of local school boards in the respective school districts are directed to cooperate with the Legislative Research Commission as is necessary in the conduct of this study.

Section 4. That the Legislative Research Commission report its findings from this study to the 1966 General Assembly prior to the expiration of that body on December 31, 1967.

Introduction of Bills and Resolutions

HB 7, by Representatives Ball, DeMarcus, Ballenger, Bamberger, A. Brown, Caldwell, Dempsey, Harper, Head, Hislope, Hoe, Howard,

J. O. Johnson, J. E. Johnson, Marcum, Maury, McCowan, McIntyre, J. Morgan, Peace, Reichert, Render, Schmidt, Secrest, Stuart, Wallace, Wheeler, White, Willen, and Wright: AN ACT relating to the classification of real property for taxation.

HB 8, by Representatives Blume, Caldwell, Ballenger, Buky, Farmer, A. Johnson, Reichert, Smith, Stuart, and Wright: AN ACT relating to finance and revenue for the common schools in any county containing 300,000 or more inhabitants.

HB 9, by Representative Sheehan: AN ACT proposing an amendment to Section 172 of the Constitution of the Commonwealth of Kentucky relating to assessment and taxation of property.

HB 10, by Representative Nicholls: AN ACT relating to the levy of occupational taxes in counties containing a city of the first class.

HB 11, by Representative Nicholls: AN ACT relating to revenue and taxation.

HB 12, by Representatives Hislope and Hoe: AN ACT relating to property tax rates.

HR 18, by Representatives Hislope, A. Brown, Dempsey, DeMarcus, Harper, Howard, Peace, and Render: A CONCURRENT RESOLUTION applying to the Congress to call a Convention for the purpose of proposing an amendment to the Constitution of the United States.

Recess

The Speaker announced a recess of five minutes.

At the appointed hour, the Speaker resumed the Chair and called the House to order

Representative Denham moved that the House adjourn until 10 a.m., Thursday, September 2, 1965. Agreed.

THURSDAY, SEPTEMBER 2, 1965

EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend J. Carter Roberts, of the Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Chapman, Cottengim, A. Johnson, J. E. Johnson, Jones, Marcum, O'Brien, Sheehan, Taylor, and Willen.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 1, 1965, be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SR 10.**

Motions, Petitions, and Communications

Representative Denham moved that when the House adjourns today that it do so until 10 a.m., Friday, September 3, 1965.

On the roll call the vote was yeas 63—Allen, Ashby, Ballenger, Barber, Barton, Bates, Blume, Blythe, Bondurant, A. Brown, E. Brown, Bruce, Buky, Caldwell, Carroll, Chaudoin, Cook, DeMarcus, Denham, Farmer, Frymire, Hale, Hardin, Head, Hinkle, Hoe, Hourigan, Houtchens, Hunt, Irick, Isler, J. O. Johnson, L. Johnson, Jordan, Kelly, Lankford, Lassiter, Maury, McIntyre, McNamara, Miller, Murphy, Nicholls, Peace, Peniston, Pettit, Pile, Render, R. Reynolds, W. Reynolds, Sanders, Secrest, Swinford, Tinsley, Tucker, Wallace, Watson, Watts, Webster, Wells, Wheeler, Wright, P. Young. Nays 10—Dempsey, Hislope, Kirtley, Reichert, Russell, Smith, Straney, Stuart, Willen, A Young.

The motion that when the House adjourns today that it do so until 10 a.m., Friday, September 3, 1965, was adopted.

Representative Denham moved the adoption of the following amendment to **SR 10.**

Amend printed copy of Senate Resolution 10 on page 1, line _____, by: by deleting "Thursday, September the 2nd" and inserting in lieu thereof: "Friday, September the 3rd" and by deleting "Wednesday, September the 8th" and inserting in lieu thereof: "Tuesday, September the 7th".

On the roll call the vote was yeas 63—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Blume, Blythe, Bondurant, A. Brown, Bruce, Buky, Caldwell, Carroll, Chaudoin, Cook, Denham, Farmer, Hale, Hardin, Harper, Head, Hinkle, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, J. O. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maury, McIntyre, McNamara, Miller, F. Morgan, Murphy, Nicholls, Peace, Peniston, Pettit, Pile, Render, W. Reynolds, Sanders, Secrest, Smith, Swinford, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Wheeler. Nays 10—Dempsey, Hislope, J. E. Johnson, Palmer, Reichert, Straney, Stuart, Wright, A. Young, P. Young.

The amendment to **SR 10** was adopted.

Representative McCowan moved that the House adjourn.

On the roll call the vote was yeas 3—McCowan, Straney, A. Young. Nays 71—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Blume, Blythe, Bondurant, A. Brown, E. Brown, Bruce, Buky, Caldwell, Carroll, Chaudoin, Cook, DeMarcus, Denham, Farmer, Frymire, Hale, Hardin, Harper, Head, Hinkle, Hourigan, Houtchens, Howard, Hunt, Irick, L. Johnson, J. O. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maddox, McIntyre, McNamara, Miller, F. Morgan, Murphy, Nicholls, Palmer, Peace, Peniston, Pettit, Pile, Reichert, Render, W. Reynolds, Sanders, Schmidt, Secrest, Smith, Stuart, Swinford, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Wheeler, Wright, P. Young.

The motion to adjourn was defeated.

Representative Denham moved the adoption of **SR 10** as amended.

SR 10, A CONCURRENT RESOLUTION relating to the adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives adjourn on Thursday, September the 2nd, they do so to convene again at 7:00 p.m. (EST) on Wednesday, September 8, 1965.

On the roll call the vote was yeas 70—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Blume, Blythe, Bondurant, A. Brown, Bruce, Buky, Caldwell, Carroll, Chaudoin, Cook, Denham, Farmer, Frymire, Gearheart, Green, Hale, Hardin, Harper, Head, Hinkle, Hoe, Hourigan, Houtchens, Hunt, Irick, J. O. Johnson, L. Johnson, Jordan, Kelley, Lankford, Lassiter, Maddox, Maury, McIntyre, McNamara, Miller, F. Morgan, Murphy, Nicholls, Peace, Peniston, Pettit, Render, R. Reynolds, W. Reynolds, Sanders, Schmidt.

Secrest, Smith, Straney, Stuart, Swinford, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Wheeler, Wright, A. Young. Nays 6—DeMarcus, Dempsey, J. E. Johnson, Palmer, Pile, P. Young.

SR 10 as amended was adopted.

HR 23, by Representatives Harper and Bruce: A RESOLUTION commending the Cincinnati Redlegs.

WHEREAS, the members of the General Assembly of the Commonwealth of Kentucky witnessed the very important doubleheader victory of the Cincinnati Redlegs; and

WHEREAS, this bi-partisan effort on the part of the General Assembly brought not only fair skies to the Queen City for the games but, it is believed in many circles, brought about the victories; and

WHEREAS, a previous resolution of this body requested reserved seats at the World Series games in Cincinnati and in view of the success of the Redlegs on the evening of September 1, 1965, with the support of the General Assembly, it would seem to be a wise move to secure the attendance of these men;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Redleg team be commended for their timely victories.

Section 2. That the Chief Clerk of the House of Representatives send a copy of this resolution to the Cincinnati Redleg Baseball Team for further consideration concerning the ticket requests.

Representative Harper moved the adoption of **HR 23.** Agreed.

Representative Denham moved that **HR 23** remain on the Clerk's Desk for all members to sign. Agreed.

Representative Stuart moved that the Attorney General be invited to appear before the House at 11 a.m. today to give his opinion on **HB 1.**

Representative Stuart moved to amend his motion that the Attorney General be invited to appear before the House at 10:15 a.m., Friday, September 3, to give his opinion on **HB 1.**

On the roll call the vote was yeas 70—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Billings, Blume, Blythe, Bondurant, A. Brown, Bruce, Buky, Caldwell, Chaudoin, Cook, DeMarcus, Denham, Frymire, Gearheart, Green, Hale, Hardin, Harper, Head, Hinkle,

Hoe, Hourigan, Houtchens, Howard, Isler, J. O. Johnson, J. E. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maury, McCowan, McIntyre, McNamara, Miller, J. Morgan, Palmer, Peace, Pettit, Pile, Reichert, Render, W. Reynolds, Russell, Schmidt, Secrest, Smith, Straney, Stuart, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Wheeler, Willen, Wright, A. Young. Nays 5—Farmer, F. Morgan, Murphy, Nicholls, Peniston.

The motion to invite the Attorney General to appear before the House at 10:15 a.m., Friday, September 3, was adopted.

The Speaker appointed the following Committee to invite the Attorney General to appear before the House: Representatives Stuart, F. Morgan, and Irick.

HR 21, by Representatives Watts, Lassiter, Miller, and Reichert: A RESOLUTION inviting the "Chordians" to attend a session of the House of Representatives.

WHEREAS, the "Chordians", a band under the direction of Mr. Wayne Tyler have acquired considerable fame and reputation as musicians; and

WHEREAS, the "Chordians" have expressed a desire to play for the members of the House of Representatives; and

WHEREAS, a musical respite would be a welcome relief from the rigors of the legislative process,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the "Chordians" be invited to play for the members of the House of Representatives at the Tuesday night session, September 7, 1965.

Representative Watts moved the adoption of **HR 21.** Agreed.

HR 22, by Representatives Bruce and Hardin: A RESOLUTION concerning the proposed study of school districts by the LRC.

The Speaker referred **HR 22** to the Committee on Rules.

Representative Russeell moved that **HB 1** be made a Special Order for Tuesday, September 7, at 7:30 p.m.

Representative Russell moved to amend his motion if **HB 1** is in position that it be made a Special Order.

The Speaker ruled the motion out of order.

Representative Hislope moved that the Rules be suspended.

On the roll call the vote was yeas 22—Ball, Billings, Carter, DeMarcus, Dempsey, Harper, Hislope, J. E. Johnson, Kirtley, Maury, McCowan, J. Morgan, Peace, Reichert, Russell, Secrest, Straney, Stuart, Watson, Wheeler, Willen, A. Young. Nays 44—Allen, Ashby, Bamberger, Barber, Bates, Blume, Blythe, Bondurant, A. Brown, E. Brown, Bruce, Caldwell, Carroll, Denham, Farmer, Green, Hale, Hardin, Hourigan, Houtchens, Hunt, Irick, Isler, Jordan, Kelly, Lankford, Lassiter, McIntyre, Miller, F. Morgan, Murphy, Nicholls, Peniston, Pettit, R. Reynolds, W. Reynolds, Sanders, Schmidt, Smith, Tucker, Watkins, Watts, Webster, Wells.

The motion to suspend the rules was defeated.

Representative F. Morgan moved that the House continue with the order of business. Agreed.

Report of Committees

The Committee on Rules reported **HR 19** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 19, A RESOLUTION requesting that a state police officer be stationed in Martin County.

WHEREAS, law enforcement has virtually ceased in Martin County; and

WHEREAS, the citizens of Martin County are among the finest of our Commonwealth; and

WHEREAS, the citizens of Martin County are and should be entitled to equal protection under the law,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

The Governor and Director of Public Safety are urged and requested to station a state police officer on a permanent basis in Martin County.

Be it further resolved that a copy of this resolution be delivered to the Governor and to Commissioner Lovern.

Calendar

HR 11, HR 5, HR 7, HB 3, and **HB 1** taken from the Calendar and ordered read at length for the second time. Representative Denham moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Introduction of Bills and Resolutions

HB 13, by Representatives Russell, Wright, J. O. Johnson, Reichert, A. Johnson, and Stuart: AN ACT relating to finance and revenue for the schools in any county containing 300,000 or more inhabitants.

HB 14, by Representative Frymire: AN ACT relating to school district financing.

Representative Denham moved that the House adjourn until 10 a.m., Friday, September 3, 1965. Agreed.

FRIDAY, SEPTEMBER 3, 1965

NINTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Charles N. King, of the Corinthian Baptist Church, Frankfort.

The roll was called. All present except Representatives O'Brien and Taylor.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 2, 1965, be dispensed with and the same approved. Agreed.

The Attorney General, Robert Matthews, appeared to give an opinion on **HB 1.**

Representative Schmidt moved that **HB 1** be made a Special Order of Business, Wednesday, September 8, 1965, at 10:30 a.m.

On the roll call the vote was yeas 40—Ball, Ballenger, Bamberger, Billings, A. Brown, Caldwell, DeMarcus, Dempsey, Frymire, Harper, Head, Hislope, Hoe, Isler, J. O. Johnson, J. E. Johnson, Jones, Maddox, Marcum, Maury, McCowan, McIntyre, McNamara, J. Morgan, Peace, Reichert, Russell, Schmidt, Secrest, Sheehan, Straney, Stuart, Swinford, Wallace, Watson, Wheeler, Whitlock, Willen, Wright, A. Young. Nays 50—Allen, Ashby, Barber, Barton, Bates, Blume, Bondurant, E. Brown, Bruce, Buky, Carroll, Carter, Chapman, Cook, Cottengim, Denham, Farmer, Green, Hale, Hardin, Hinkle, Hourigan, Houtchens, Hunt, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, F. Morgan, Murphy, Nicholls, Peniston, Pettit, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, P. Young.

The motion to make **HB 1** a Special Order was defeated.

Motions, Petitions, and Communications

HR 24, by Representatitve Carroll: A RESOLUTION relating to constitutional revision.

The Speaker referred **HR 24** to the Committee on Rules.

Representative Straney moved that the Committee on Rules be dissolved and the House go into Committee of the Whole.

The Speaker ruled the motion out of order.

The Speaker vacated the Chair. Representative Peniston presiding.

On the roll call the vote was yeas 64—Allen, Ashby, Ballenger, Barber, Barton, Bates, Blume, Blythe, Bondurant, A. Brown, E. Brown, Bruce, Buky, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Frymire, Gearheart, Green, Hale, Hardin, Harper, Head, Hinkle, Hourigan, Houtchens, Howard, Hunt, Irick, A. Johnson, J. O. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, McIntyre, McNamara, Murphy, Nicholls, Pettit, Pile, R. Reynolds, W. Reynolds, Sanders, Sheehan, Smith, Swinford, Tinsley, Tucker, Watkins, Watson, Watts, Webster, Wells, White, Whitlock, P. Young. Nays 16—Ball, Bamberger, DeMarcus, Dempsey, Hoe, J. E. Johnson, Jones, Maury, J. Morgan, Reichert, Straney, Stuart, Wheeler, Willen, Wright, A. Young.

The ruling of the Speaker was sustained.

The Speaker resumed the Chair.

Calendar

HR 19 taken from the Calendar and ordered read at length for the second time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 1, by way of Committee Substitute, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Denham moved the adoption of Committee Substitute to **HB 1.** Agreed.

Representative Denham moved to amend **HB 1** as follows:

Amend printed copy of Committee Substitute to **HB 1** on page 27, line 17, by:

inserting between lines 17 and 18 the following:

"Section 16. To help provide for an efficient system of common schools in any county having 300,000 or more inhabitants, the General Assembly delegates to the fiscal courts and boards of education of any such county the powers and duties set forth in this Act. The General Assembly finds and declares that in any such county there are besetting public education special problems which can best be

solved pursuant to this Act. Furthermore, the General Assembly declares that the public policy of the Commonwealth is not offended but is best served by this Act's authorization for the imposition, payment, and collection of license fees on businesses, trades, occupations, and professions over and above license fees that may already be imposed thereon.

"Section 17. The license fees imposed under this Act on Businesses, trades, occupations, and professions shall be at a single, uniform percentage rate not to exceed one-half of one percent of (a) salaries, wages and commissions, and other compensations earned by persons within the county for work done and services performed or rendered in the county, and (b) the net profits of all businesses, trades, occupations, and professions, for activities conducted in the county. The license fees, once imposed, shall continue from year to year until changed as prescribed in Section 18. No public service company which pays an ad valorem tax is required to pay a license fee hereunder. No license fee shall be imposed upon or collected from any bank, trust company, combined bank and trust company or combined trust, banking and title business in this state. No license tax shall be collected from any individual who is not a resident of the county of the tax levying authority imposing the tax.

"Section 18. (1) Except as provided in subsections (2), (3), and (4) the fiscal court has discretion to impose or not impose the license fees authorized by this Act at a percentage rate, not to exceed one-half of one percent, determined by the fiscal court. A fiscal court shall not proceed under this subsection without first giving all boards of education in the county thirty days notice of its intention.

"(2) If one or more boards of education of school districts within the county which contain at least ninety percent of the county's inhabitants, in the same calendar year certify to the fiscal court requests for a license fee at an identical percentage rate, not to exceed one-half of one percent, then the fiscal court shall impose such license fees at the requested rate.

"(3) Any license fees imposed under subsections (1) or (2) shall remain in full effect from year to year until all boards of education within the county have certified to the fiscal court requests for a reduction in the percentage rate theretofore imposed. Thereafter, the fiscal court shall reduce the rate to the highest rate certified as yet necessary by any board of education in the county. The fiscal court may require each board of education to make no more than one certificate annually.

"(4) In any calendar year in which one or more boards of education of school districts containing at least ninety percent of the

county's inhabitants make a certification pursuant to subsection (2) for a rate which is at a higher percentage than any currently imposed, the fiscal court shall impose the license fee at the higher rate and any rate imposed pursuant to subsections (1), (2), or (3) shall be rescinded upon the date the new rate takes effect.

"Section 19. (1) The imposition of license fees authorized hereby shall be by order or resolution of the fiscal court. There shall be no more than one such order or resolution passed in any one calendar year. In the case of license fees required to be imposed pursuant to subsection (2) of Section 18 the fiscal court shall make the order or resolution within ten days following receipt of the first request which makes subsection (2) of Section 18 effective.

"(2) The order or resolution of the fiscal court imposing license fees pursuant to subsections (1), (2), or (4) of Section 18 shall go into effect thirty days after its passage. If during the thirty days next following the passage of the order or resolution a petition signed by a number of registered and qualified voters equal to fifteen percent of the votes cast in the county for the office receiving the greatest total vote at the last preceding presidential election is presented to the fiscal court protesting against passage of the order or resolution, the order or resolution shall be suspended from going into effect until after the election referred to in subsection (3) of this section. Each sheet of the petition shall contain the names and addresses of voters in but one voting precinct, and each sheet shall state the name, number, or designation of the precinct and, where applicable, the name, designation, or number of the district or ward wherein the precinct is situated. Each voter shall sign his name in the same manner as he signed the current registration form described in KRS 117.630 or 117.720(2), as the case may be. If the signature is difficult to read, the voter shall, on the same line legibly write or print his name in the same fashion as he signed it. One or more persons shall verify by affidavit the signatures and addresses of the signers of the petition. The board or boards of registration in the county shall give necessary and appropriate aid to the fiscal court so that the latter body may make the initial, but not conclusive, determination of whether the petition contains enough signatures of qualified voters to suspend the effect of the order or resolution.

"(3) Thereupon the fiscal court shall submit to the voters of the county at the next regular election or called common school district election, either of which to be held not less than sixty days from the date of passage of said order or resolution, the question as to whether such license fees for common school purposes shall be levied. The question shall be so framed that the voter may by his vote answer, "for" or "against." If a majority of the votes cast upon the

question oppose its passage, the order or resolution shall not go into effect. If a majority of the votes cast upon the question favor its passage, the order or resolution shall go into effect.

"(4) License fees imposed pursuant to this Act shall become applicable upon the date specified in the order or resolution, but in no event later than the first day of the calendar year first beginning after the day upon which the said order or resolution is made.

"Section 20. The license fees imposed by authority of this Act shall be collected by the fiscal court or its agent, and the proceeds thereof shall be promptly divided and distributed to each school district within the county in proportion to the number of pupils in average daily attendance in each school district as shown by the most recent statistics certified by the Superintendent of Public Instruction pursuant to KRS 157.310 to 157.440. The fees shall be used for any purpose for which other common school funds may be used.

"Section 21. Any person who has paid the license fees imposed under Section 18 and 19 of this Act may bring an action for the refund thereof without interest only within one year after the license fees for any year become due. If the court finds that the license fees were invalidly collected for any reason, it shall order a refund thereof.

"Section 22. (1) Sections 16 through 26 of this Act shall not be construed as repealing any other laws of the Commonwealth relating to the levy, assessment, and collection of taxes or license fees but shall be held and construed to authorize an additional license fee, against which the credit allowed by KRS 68.190 does not apply.

"(2) Sections 16 through 26 of this Act shall not in any manner repeal, amend, affect, or apply to any existing statute exempting property from local taxation, or fixing a special rate on proper classification, or imposing a state tax which is declared to be in lieu of all local taxation.

"(3) The provisions of any statute relating to ad valorem taxes do not apply to Sections 16 through 26 of this Act or to the license fees authorized by it.

Section 23. Section 68.180 of the Kentucky Revised Statutes is amended to read as follows:

"(1) The fiscal court of each county having a population of 300,000 or more, may by order or resolution impose license fees on franchises, provide for licensing any business, trade, occupation or profession, and the using, holding or exhibiting of any animal, article

or other thing. License fees on such business, trade, occupation, or profession for revenue purposes, *except those of the common schools,* shall be imposed at a percentage rate or rates not to exceed one and one-fourth percent of (a) salaries, wages, commissions and other compensation earned by persons within the county for work done and services performed or rendered in the county, and (b) the net profits of businesses, trades, professions or occupations from activities conducted in the county. License imposed for regulatory purposes shall not be subject to such limitations as to form and amount. No public service company that pays an ad valorem tax [and a franchise tax] shall be required to pay a license tax, and no license tax shall be imposed upon or collected from any bank, trust company, combined bank and trust company, or combined trust, banking and title business in this state, or in other cases where the county is prohibited by law from imposing a license tax.

"(2) The provisions and limitations of subsection (1) do not apply to the license fees authorized by Sections 16 to 22 of this Act.

Section 24. Section 68.185 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of said counties may provide for the levy, the assessment and the collection of *the license fees authorized by KRS 68.180 and Sections 16 to 22 of this Act* [such license taxes], provide for the issuance and enforcement of licenses, and specify the county governmental purposes to which the revenue *derived from license fees authorized by KRS 68.180* [therefrom] shall be applied.

(2) In making the provisions described in subsection (1), and without limiting them, the fiscal court may, by resolution or order adopt reasonable rules or regulations requiring the preparation and filing of timely, accurate, and truthful returns, accounts, and license applications which will aid in the determination of the amount of *the fee* [tax].

Section 25. Section 68.190 of the Kentucky Revised Statutes is amended to read as follows:

Any amount paid to any city of the first class within such county as a license fee, for the same privilege and for the same period, shall be credited against the county license fee payable *under KRS 68.180(1)* [hereunder]. Any amount paid to any other city within such county as a license fee, for the same privilege and for the same period, shall be credited against the county license fee payable *under KRS 68.180(1)* [hereunder], provided that such city, at least thirty days prior to the beginning of any county fiscal year, has contracted with the fiscal court to contribute annually to the support of joint agencies of such county and one or more cities in the county, an amount which bears

the same ratio to the annual appropriation made for such joint agencies by a city of the first class in the county, as the assessed valuation for county tax purposes, as determined by the county tax commissioner, of the real and tangible personal property, excluding franchises, located within the corporate limits of such other cities, respectively, bears to the same assessed valuations within a city of the first class in said county.

Section 26. Sections 160.531, 160.532, 160.533, and 160.534 of the Kentucky Revised Stautes are repealed."

and by changing the number "16" in line 18 to read "27."

On the roll call the vote was yeas 66—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Billings, Blume, Bondurant, E. Brown, Bruce, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Frymire, Gearheart, Green, Hale, Hardin, Hinkle, Hoe, Hourigan, Houtchens, Howard, Irick, A. Johnson, J. O. Johnson, L. Johnson, Kelly, Kirtley, Lankford, Lassiter, McIntyre, F. Morgan, Murphy, Nicholls, Peace, Peniston, Pettit, Pile, Render, R. Reynolds, W. Reynolds, Russell, Sanders, Smith, Stuart, Swinford, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, Whitlock, Willen, P. Young. Nays 22—Ball, DeMarcus, Dempsey, Harper, Hislope, Hunt, Isler, J. E. Johnson, Jones, Jordan, Maury, McCowan, Miller, J. Morgan, Palmer Reichert, Schmidt, Sheehan, Straney, Wheeler, Wright, A. Young.

The motion to amend **HB 1** was adopted.

Representative Denham moved the Previous Question on **HB 1,** as amended.

On the roll call the vote was yeas 46—Allen, Ashby, Barber, Bates, Blume, Bondurant, E. Brown, Bruce, Caldwell, Carroll, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Green, Hale, Hardin, Hourigan, Houtchens, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Langford, Lassiter, Miller, F. Morgan, Murphy, Nicholls, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, P. Young. Nays 47—Ball, Ballenger, Bamberger, Barton, Billings, Blythe, A. Brown, Carter, DeMarcus, Dempsey, Frymire, Harper, Head, Hinkle, Hislope, Hoe, Howard, Hunt, Isler, J. E. Johnson, J. O. Johnson, Jones, Maddox, Marcum, Maury, McCowan, McIntyre, McNamara, J. Morgan, Palmer, Peace, Pettit, Reichert, Russell, Schmidt, Secrest, Sheehan, Straney, Stuart, Swinford, Wallace, Watson, Wheeler, Whitlock, Willen, Wright, A. Young.

The motion on the Previous Question was rejected.

The Speaker announced the vote as 47 yeas, 46 nays. The decision of the Speaker was appealed.

The Speaker vacated the Chair. Representative Peniston presiding. The decision was upheld.

The following roll call was declared the correct vote on the Previous Question.

On the roll call the vote was yeas 47—Allen, Ashby, Barber, Bates, Blume, Bondurant, E. Brown, Bruce, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Green, Hale, Hardin, Hourigan, Houtchens, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Lankford, Lassiter, Miller, F. Morgan, Murphy, Nicholls, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, P. Young. Nays 46—Ball, Ballenger, Bamberger, Barton, Billings, Blythe, A. Brown, DeMarcus, Dempsey, Frymire, Harper, Head, Hinkle, Hislope, Hoe, Howard, Hunt, Isler, J. E. Johnson, J. O. Johnson, Jones, Maddox, Marcum, Maury, McCowan, McIntyre, McNamara, J. Morgan, Palmer, Peace, Pettit, Reichert, Russell, Schmidt, Secrest, Sheehan, Straney, Stuart, Swinford, Wallace, Watson, Wheeler, Whitlock, Willen, Wright, A. Young.

The motion on the Previous Question was adopted.

The Speaker resumed the Chair.

Representative Denham moved that **HB 1** as amended be placed upon its passage.

Representative Frymire moved that the vote on the Previous Question be recapitulated.

The Speaker vacated the Chair. Representative Peniston presiding.

On the roll call the vote was yeas 47—Allen, Ashby, Barber, Barton, Bates, Blume, Bondurant, E. Brown, Bruce, Buky, Carroll, Chapman, Cook, Cottengim, Denham, Farmer, Gearheart, Green, Hale, Hardin, Hinkle, Hourigan, Houtchens, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Lankford, Lassiter, Miller, Murphy, Nicholls, Palmer, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, P. Young. Nays 43—Ball, Bamberger, Billings, A. Brown, Carter, Chaudoin, DeMarcus, Dempsey, Frymire, Harper, Head, Hislope, Hoe, Hunt, Isler, J. E. Johnson, J. O. Johnson, Jones, Kirtley, Maddox, Marcum, Maury, McCowan, McIntyre, McNamara, J. Morgan, Peace, Pettit, Reichert, Russell, Schmidt, Secrest, Sheehan, Straney, Stuart, Swinford, Wallace, Watson, Wheeler, Whitlock, Willen, Wright, A. Young.

The ruling of the Speaker was sustained.

The Speaker resumed the Chair.

On the roll call the vote was yeas 64—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Blume, Blythe, Bondurant, E. Brown, Bruce, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, Denham, Farmer, Gearheart, Green, Hale, Hardin, Hinkle, Hoe, Hourigan, Houtchens, Howard, Irick, A. Johnson, J. O. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, McIntyre, McNamara, F. Morgan, Murphy, Nicholls, Peniston, Pettit, Pile, Render, R. Reynolds, W. Reynolds, Russell, Sanders, Smith, Stuart, Tinsley, Tucker, Watkins, Watts, Webster, Wells, White, A. Young, P. Young. Nays 31—Ball, Billings, DeMarcus, Dempsey, Frymire, Harper, Head, Hislope, Hunt, Isler, J. E. Johnson, Jones, Maddox, Maury, McCowan, Miller, J. Morgan, Palmer, Peace, Reichert, Schmidt, Secrest, Sheehan, Straney, Swinford, Wallace, Watson, Wheeler, Whitlock, Willen, Wright.

HB 1 as amended was passed and the title agreed to.

Representative Carroll moved that the vote by which **HB 1** as amended was passed be reconsidered and said motion be laid on the table.

On the roll call the vote was yeas 44—Ashby, Ballenger, Barber, Barton, Bates, Blume, Bondurant, E. Brown, Buky, Carroll, Carter, Chapman, Denham, Frymire, Gearheart, Green, Hale, Hardin, Head, Hinkle, Hourigan, Houtchens, Irick, A. Johnson, J. O. Johnson, L. Johnson, Jordan, Kelly, Lankford, Lassiter, F. Morgan, Murphy, Nicholls, Peniston, Pile, R. Reynolds, W. Reynolds, Tinsley, Tucker, Watts, Webster, Wells, White, P. Young. Nays 23—Ball, Bamberger, Caldwell, DeMarcus, Harper, Hoe, Hunt, J. E. Johnson, Jones, McCowan, J. Morgan, Reichert, Russell, Schmidt, Secrest, Straney, Stuart, Swinford, Wallace, Wheeler, Whitlock, Wright, A. Young.

The motion that the vote by which **HB 1** as amended was passed be reconsidered and said motion be laid on the table was adopted.

Representative Caldwell moved that the roll call on the Previous Question for **HB 1** be reconsidered. The Speaker ruled the motion out of order.

Representative Blume moved that the House adjourn until 7 p.m., Tuesday, September 7, 1965. Agreed.

TUESDAY, SEPTEMBER 7, 1965

TENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Herbert Ward Jackson, of the Church of the Ascension, Frankfort.

The roll was called. All present except Representatives Barton, Chaudoin, Frymire, Green, Hislope, Howard, J. E. Johnson, Kelly, Lassiter, Maddox, Marcum, J. Morgan, Nicholls, O'Brien, Taylor, Watkins, A. Young, and P. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 3, 1965, be dispensed with and the same approved.

Representative Swinford requested reading of the Journal of September 3, 1965.

On the roll call the vote was yeas 32—Allen, Ashby, Barber, Bates, Bondurant, E. Brown, Carroll, Carter, Chaudoin, Denham, Farmer, Gearheart, Hale, Hardin, Hinkle, Hourigan, Houtchens, Irick, J. E. Johnson, Jones, Lankford, Miller, F. Morgan, Palmer, Peniston, Pile, Render, R. Reynolds, Tucker, Watts, Webster, Wells. Nays 34—Ballenger, Bamberger, Billings, Blume, Blythe, A. Brown, Buky, Caldwell, Cottengim, DeMarcus, Harper, Head, Hoe, Hunt, A. Johnson, J. O. Johnson, Kelly, Maury, McCowan, McNamara, Peace, Pile, W. Reynolds, Russell, Schmidt, Secrest, Smith, Straney, Swinford, Taylor, Wallace, Wheeler, White, Willen.

Representative Swinford's request that the Journal of September 3, 1965 be read was rejected.

Representative Denham asked that the Journal be read.

The Journal of September 3, 1965 was read.

Representative Blume moved that the reading of the Journal of September 3, 1965, be approved.

On the roll call the vote was yeas 40—Allen, Ashby, Barber, Bates, Blume, Bondurant, E. Brown, Bruce, Carroll, Chapman, Cook, Denham, Farmer, Gearheart, Green, Hale, Hardin, Hinkle, Hourigan, Houtchens, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Lankford, Miller, Palmer, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tinsley, Tucker, Watson, Watts, Webster, Wells. Nays 26—Bamberger, Billings, Blythe, A. Brown, Buky, Caldwell, DeMarcus, Dempsey, Harper, Hoe, Hunt, Jones, Kirtley, Maury, McCowan, Peace, Reichert, Russell, Schmidt, Secrest, Swinford, Wallace, Wheeler, Whitlock, Willen, Wright.

The motion that the Journal of September 3, 1965, be approved was adopted.

Recess

The House recessed for a program of music by the "Chordians."

The Speaker resumed the Chair.

Motions, Petitions, and Communications

Representative Denham announced that the Rules Committee would meet at 10 a.m., Wednesday, September 8, 1965.

Representative Denham announced that when the House adjourns that it do so until 11 a.m., Tuesday, September 8, 1965.

HR 25, by Representatives Russell, Ball, Ballenger, Blythe, Buky, Caldwell, Carter, DeMarcus, Dempsey, Harper, Head, Hislope, J. O. Johnson, Jones, Marcum, Maury, Peace, Reichert, Schmidt, Stuart, Wallace, Wheeler, Willen and Wright: A RESOLUTION relating to expanding the call of the First Extraordinary Session of the 1964 General Assembly.

The Speaker referred **HR 25** to the Committee on Committees.

Representative Hale moved that the House adjourn until 11 a.m., Wednesday, September 8, 1965.

On the roll call the vote was yeas 30—Allen, Ashby, Bates, Bondurant, E. Brown, Cottengim, Denham, Farmer, Gearheart, Green, Hale, Hourigan, Irick, L. Johnson, Jordan, Kelly, Lankford, Miller, Palmer, Peniston, Pile, Sanders, Smith, Stuart, Taylor, Tinsley, Tucker, Webster, Wells, Whitlock. Nays 28—Ballenger, Bamberger, Billings, Blythe, A. Brown, Bruce, Buky, Caldwell, DeMarcus, Dempsey, Harper, Head, Hoe, J. O. Johnson, Jones, Kirtley, Maury, McCowan, McIntyre, McNamara, Reichert, Russell, Schmidt, Secrest, Swinford, Wallace, Wheeler, Wright.

The motion to adjourn was adopted.

WEDNESDAY, SEPTEMBER 8, 1965

ELEVENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Herman M. Bowers, First Baptist Church, Frankfort.

The roll was called. All present except Representatives Barber, Blythe, Frymire, A. Johnson, J. O. Johnson, Marcum, F. Morgan, O'Brien, Palmer, Pettit, Sheehan, Watkins, Watson, White, A. Young, and P. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 7, 1965, be dispensed with and the same approved. Agreed.

Recess

Representative Denham moved that the House recess for fifteen minutes for a Majority Party Caucus. Agreed.

The Speaker resumed the Chair.

Senate Message

Announcing passage of **HR 3, SR 8, SR 4** and **SR 7**

Motions, Petitions, and Communications

Representative Dempsey moved that the House adjourn until 10 a.m., Thursday, September 9, 1965.

On the roll call the vote was yeas 9—Caldwell, DeMarcus, Dempsey, Gearheart, McCowan, Reichert, Render, Russell, Willen. Nays 53—Allen, Ashby, Ballenger, Barber, Bates, Billings, Blume, Bondurant, E. Brown, Bruce, Buky, Carroll, Chapman, Chaudoin, Cottengim, Denham, Farmer, Green, Hardin, Harper, Hourigan, Houtchens, Hunt, Irick, L. Johnson, Jones, Jordan, Kelly, Lankford, Lassiter, Maddox, Maury, McIntyre, McNamara, J. Morgan, Murphy, Nicholls, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Sheehan, Smith, Straney, Swinford, Taylor, Tinsley, Tucker, Wallace, Watts, Webster, Wells.

The motion that the House adjourn was rejected.

HR 27, by Representative E. Brown: A RESOLUTION directing the LRC to prepare a study of the tax structure of Kentucky with a view toward finding a substitute or supplement for the property tax for support of schools.

The Speaker referred **HR 27** to the Committee on Rules.

HR 28, by Representatives Nicholls and Harper: A RESOLUTION relating to tuition charges for out-of-state students.

The Speaker referred **HR 28** to the Committee on Rules.

Report of Committees

The Committee on Rules reported **HR 6** and **HR 24** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 6, A CONCURRENT RESOLUTION directing the Legislative Research Commission to conduct a study concerning the non-resident tuition fees charged by colleges and universities in Kentucky as compared to other states; to determine the number of non-resident students in attendance at the colleges and universities of the Commonwealth; and, to determine the cost of education, per student, at each of Kentucky's colleges and universities.

WHEREAS, the expenses of operating the colleges and universities of the Commonwealth are constantly rising, and

WHEREAS, the number of non-resident students attending the colleges and universities of the Commonwealth as well as the number of Kentuckians attending institutions in other states is continuing to grow;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission is authorized and directed to conduct a study concerning non-resident tuition fees charged by Kentucky colleges and universities and non-resident tuition fees for colleges and universities of other states.

Section 2. That the study authorized and directed by this resolution include the determination of the number of non-resident students attending the colleges and universities of the Commonwealth and the determination of the cost of education, per student at each of the institutions of higher learning within the Commonwealth.

Section 3. That each college and university within the Commonwealth, and the Committee on Public Higher Education be directed to cooperate with the Legislative Research Commission in the completion of this study.

Section 4. That the Legislative Research Commission shall include its findings in a report to the General Assembly of the Com-

monwealth of Kentucky, such report to be submitted to the 1966 General Assembly, prior to the expiration date of that General Assembly December 31, 1967.

HR 24, A RESOLUTION relating to constitutional revision.

WHEREAS, the present Constitution provides that the General Assembly shall have the power to divide property into classes, and

WHEREAS, the courts have ruled that "real property" is of itself a class and cannot be further classified, and

WHEREAS, the General Assembly is concerned with the classification of property for tax purposes.

NOW, THEREFORE;

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Constitution Revision Assembly is requested to consider seriously the classification of real property according to use within certain classes, to the end of not prohibiting the General Assembly from making reasonable separate classification of real property for tax purposes.

Report on Enrolled Bills

The Committee on Enrollment reported **HR 3** had been examined and found correctly enrolled. **HR 3** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

HR 3 delivered to the Senate.

Orders of the Day

HR 7, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 78—Allen, Ashby, Ball, Ballenger, Bamberger, Barber, Bates, Billings, Blume, Bondurant, A. Brown, E. Brown, Bruce, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Farmer, Gearheart, Green, Hale, Hardin, Harper, Head, Hislope, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, Isler, J. E. Johnson, L. Johnson, Jones, Kelly, Kirtley, Lankford, Lassiter, Maddox, Maury, McCowan, McIntyre, McNamara, Miller, J. Morgan, Nicholls, Peace, Peniston, Pile, Reichert, Render, R. Reynolds, W. Reynolds, Russell, Sanders, Schmidt,

Secrest, Sheehan, Smith, Straney, Stuart, Swinford, Tinsley, Tucker, Wallace, Watts, Webster, Wells, Wheeler, Willen, Wright. Nays 0.

HR 7 was passed and the title agreed to.

HR 19, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time.

Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 74—Allen, Ashby, Ball, Ballenger, Bamberger, Barber, Bates, Billings, Blume, Bondurant, A. Brown, E. Brown, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Farmer, Gearheart, Green, Hale, Hardin, Head, Hislope, Hoe, Houtchens, Howard, Hunt, Irick, Isler, J. E. Johnson, L. Johnson, Jones, Kelly, Kirtley, Lankford, Lassiter, Maddox, Maury, McCowan, McIntyre, McNamara, Miller, J. Morgan, Nicholls, Peace, Peniston, Pile, Reichert, Render, R. Reynolds, W. Reynolds, Russell, Sanders, Schmidt, Secrest, Sheehan, Straney, Stuart, Swinford, Tinsley, Tucker, Wallace, Watts, Webster, Wells, Wheeler, Willen, Wright. Nays 0.

HR 19 was passed and the title agreed to.

Reference of Bills and Resolutions

The Committee on Committees referred **HR 25** to the Committee on Rules.

Motions, Petitions, and Communications (Con't)

HR 26, by Representative Whitlock: A CONCURRENT RESOLUTION directing the LRC to conduct a study concerning classification of property for ad valorem tax purposes.

The Speaker referred **HR 26** to the Commitee on Rules.

Representative Denham moved that the House adjourn until 9:30 a.m., Thursday, September 9, 1965. Agreed.

THURSDAY, SEPTEMBER 9, 1965

TWELFTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend John L. Hunt, South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Representatives Ballenger, Blythe, E. Brown, A. Johnson, Jordan, Marcum, Miller, Murphy, O'Brien, Pettit, Sheehan, Tinsley, Watts, White, and P. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative J. O. Johnson moved that the reading of the Journal of Septmeber 8, 1965, be dispensed with and the same approved. Agreed.

Motions, Petitions, and Communications

HR 29, by Representative Blume: A RESOLUTION relating to excusing absentees.

The Speaker referred **HR 29** to the Committee on Committees.

HR 30, by Representative Nicholls: A RESOLUTION requesting the United States Attorney General to brand the Republican Party as "Subversive."

The Speaker referred **HR 30** to the Committee on Committees.

HR 32, by Representative Hoe: A RESOLUTION directing the Legislative Research Commission to conduct a study of the property tax structure of the Commonwealth.

The Speaker referred **HR 32** to the Committee on Committees.

Representative Swinford moved that the House give a standing vote of confidence to Vice President Humphrey.

On the roll call the vote was 41—Allen, Ashby, Barber, Bates, Billings, Blume, Bondurant, Bruce, Carroll, Chapman, Cook, Denham, Farmer, Gearheart, Green, Hale, Hourigan, Houtchens, Irick, Isler, L. Johnson, Kelly, Kirtley, Lankford, Lassiter, McIntyre, Nicholls, Palmer, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Swinford, Taylor, Tucker, Webster, Wells, A. Young, McCallum. Nays 18—Ball, Bamberger, A. Brown, Buky, DeMarcus, Dempsey, Hislope, Hoe, Jones, Maury, McCowan, J. Morgan, Peace, Reichert, Secrest, Stuart, Wheeler, Wright.

The motion that the House give a standing vote of confidence to Vice President Humphrey was adopted.

HR 31, by Representatives McIntyre, Caldwell, Harper, Howard, Reichert, Secrest, Wallace, Watson, and Wheeler: A RESOLUTION relating to Lotts Creek Bridge, Perry County, Kentucky.

The Speaker referred **HR 31** to the Committee on Committees.

HR 33, by Repreesntatives Blume, Farmer, Palmer, and Smith: A RESOLUTION relating to the establishment of a community college in Jefferson County.

The Speaker referred **HR 33** to the Committee on Committees.

HR 34, by Representative McNamara: A RESOLUTION expressing the sympathy of the House over the death of Miss Dunster G. Pettit.

WHEREAS, the death of Miss Dunster G. Pettit, sister of H. Foster Pettit, a member of this House, grieves the entire membership of the House of Representatives;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives extend their sympathy to the family of Miss Dunster G. Pettit.

Representative McNamara moved the adoption of **HR 34.** Agreed.

Representative McNamara moved when the House adjourns today, it adjourn in honor of Miss Pettit. Agreed.

Report of Committees

The Committee on Rules reported **HR 28** and, **HR 9** with Committee amendment, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 28, A RESOLUTION relating to tuition charges for out-of-state students.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Council on Public Higher Education, in cooperation with the Legislative Research Commission, is requested to examine the possibility of interstate cooperation with respect to allocation of tuition charges for out-of-state students at state institutions of higher learning.

Section 2. That the Council and the Commission examine the possibility of reciprocity in the field of tuition to the general end that the charges for a Kentucky student attending college in a neighboring state could be equalized with the charges assessed against an out-of-state student attending a Kentucky college.

Section 3. That the Council and the Commission give particular attention in this matter of reciprocal arrangement to those institutions of higher education in the neighboring states of Ohio, Indiana, Illinois, Missouri, Tennessee, Virginia, and West Virginia.

HR 9, A RESOLUTION relating to taxation.

WHEREAS, the Court of Appeals of the Commonwealth of Kentucky in its opinion of June 8, 1965, has directed that all property be assessed at its fair cash value; and

WHEREAS, the lapse of time between the date of the opinion of the Court and the convening of this Special Session of the General Assembly has not been sufficient to fairly and adequately consider all aspects of the effect of the Court's opinion on the various taxing authorities; and

WHEREAS, a comprehensive and exhaustive study seems not only desirable but necessary in order that all facets of the taxing problem may be considered and resolved; and

WHEREAS, action by the General Assembly is indicated as necessary to cover the interim between the effective date of the Court's opinion and future legislation which may result from the study,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky:

Section 1. That, if appropriate under the Governor's proclamation as issued or as may be expanded, the General Assembly consider legislation requiring the taxing authorities to establish tax rates at one-third of the present rates based on an assessment at fair cash value, but in no event to fix a rate which would reduce the revenue below that produced in 1965, and that a sales and use tax of one per cent be levied, subject to referendum, the proceeds of which would be used exclusively for public school purposes.

Section 2. That in the event this proposal is not a matter properly subject to consideration at this special session, then that these matters be submitted to the 1966 Regular Session of the General Assembly.

Section 3. That the Legislative Research Commission be directed to conduct a continuous full and complete study of the taxing structure of the state and report its findings and recommendations to the 1966 Regular Session and to each subsequent Regular Session of the General Assembly thereafter.

Said Committee Amendment to **HR 9** is as follows:

Amend printed copy of House Resolution 9 on page 2, line 3, by: inserting after the word "legislation" the word "levying";
and by deleting the following words in lines 3-6: "requiring the taxing authorities to establish tax rates at one-third of the present rates based on an assessment at fair cash value, but in no event to fix a rate which would reduce the revenue below that produced in 1965, and that";

and on line 7 by deleting the words "be levied".

Calendar

HR 6 and **HR 24** taken from the Calendar and ordered read at length for the second time. Representative Denham moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills and Resolutions

The Committee on Committees referred **HR 26** and **HR 27** to the Committee on Rules.

Introduction of Bills and Resolutions

HB 15, by Representative Denham: AN ACT providing for taking the sense of the people of the Commonwealth as to calling a Convention for the purpose of adopting a revised constitution.

Representative Denham moved that the rules be suspended for a Committee on Committees' meeting to refer Bills and Resolutions.

Reference of Bills and Resolutions

The Committee on Committees referred **HB 15** to the Committee on Rules.

Representative Caldwell moved that the Committee on Rules conduct a Public Hearing on **HB 15**, Thursday, September 16, 1965, at 10 a.m.

Representative Caldwell moved to amend his motion to read Tuesday, September 14, 1965, at 10 a.m. Representative Caldwell also moved that each member be given a copy of **SB 2**, an identical bill, to study since **HB 15** has not yet been printed.

Representative Stuart repeated Representative Caldwell's amendment motion.

Representative Denham proposed that members read the bill while in weekend recess and vote Monday, September 13, on whether to call a public Hearing on **HB 15.**

On the roll call the vote was yeas 25—Ball, Bamberger, Barton, Buky, Caldwell, DeMarcus, Dempsey, Harper, Hislope, Hoe, Jones, Marcum, Maury, Morgan, Reichert, Render, Russell, Schmidt, Secrest, Stuart, Taylor, Wallace, Wheeler, Willen, Wright. Nays 40—Allen, Ashby, Barber, Bates, Blume, Bondurant, Carroll, Chapman, Chaudoin, Cook, Denham, Farmer, Gearheart, Green, Hale, Hardin, Head, Hourigan, Houtchens, Howard, Irick, L. Johnson, Kelly, Kirtley, Lankford, Lassiter, McIntyre, McNamara, Nicholls, Palmer, Peniston, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Tucker, Webster, Wells, A. Young.

The motion that a Public Hearing on **HB 15** be held was defeated.

Recess

Representative Denham moved that the House recess for a meeting of the Committee on Rules. Agreed.

The Speaker resumed the Chair.

Representative Denham announced a Rules Committee meeting for 6 p.m., Monday, September 13, 1965.

Representative Denham moved that the House adjourn until 7 p.m., Monday, September 13, 1965. Agreed.

MONDAY, SEPTEMBER 13, 1965

THIRTEENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend J. Carter Roberts, of the Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Bates, Frymire, Hislope, Houtchens, Kelly, Kirtley, Lassiter, Marcum, F. Morgan, O'Brien, Palmer, Pettit, R. Reynolds, and White.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 9, 1965, be dispensed with and approved. Agreed.

Recess

Representative Denham moved that the House recess for ten minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Committee on Committees referred **HR 29, HR 30, HR 31, HR 32, HR 33, SR 4, SR 7** and **SR 8** to the Committee on Rules.

Recess

Representative Denham moved that the House recess until 8:15 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Motions, Petitions, and Communications

HR 35, by Representatives Nicholls, Denham, Chapman, Dempsey, W. Reynolds, Wells, Wheeler, A. Young, Swinford, Secrest, and Gearheart: A RESOLUTION in memory of Joe B. Bates.

WHEREAS, the Commonwealth has lost one of its leading citizens with the death of Joe B. Bates; and

WHEREAS, Joe Bates served his Commonwealth and Greenup County as County Clerk for twelve years; and

WHEREAS, as a Congressman, Joe Bates served his country as well as his state for sixteen years; and

WHEREAS, as a leading citizen of Greenup, he was unselfish in his devotion to the affairs of the community; and

WHEREAS, there are not many men of the calibre of Joe Bates and the Commonwealth can ill afford to lose men of his dedication;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sympathy of the House of Representatives be extended to the family of Joe Bates.

Section 2. That when the House of Representatives adjourns on September 13, 1965, it does so in memory of Joe Bates.

Section 3. That the Chief Clerk of the House of Representatives send a copy of this resolution to Mr. J. R. Bates, Mrs. Joe B. Bates, and Mrs. Shannon Vinson, all of Greenup, Kentucky.

Representative Sanders moved the adoption of **HR 35.** Agreed.

Report of Committees

The Committee on Rules reported **HR 22, HR 33, SR 4,** and **SR 8** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 22, A RESOLUTION concerning the proposed study of school districts by the Legislative Research Commission.

WHEREAS, the Legislative Research Commission has been directed by House Resolution No. 5 to conduct a study pertaining to the adequacy of the organization of school districts and their administration; and

WHEREAS, the study is to place special emphasis upon the area of election of members of school boards, their terms, size and composition of school districts, the manner of merger of school districts, the authority and duties of superintendents of school and the members of school boards; and

WHEREAS, while the subjects listed above are comprehensive in scope one other subject should be included in the study, the feasibility of providing a business manager for each school district;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be directed to include in the study directed to be undertaken by House Resolution No. 5, the feasibility of providing a business manager for each school district whose compensation and expenses would be paid from state funds.

HR 33, A RESOLUTION relating to the establishment of a community college in Jefferson County.

WHEREAS, thousands of residents of Jefferson County are attending the University of Kentucky, Eastern State College, Western State College, Kentucky State College, Morehead State College, and Murray State College; and

WHEREAS, the enrollment of the State Colleges and the University have rapidly increased; and

WHEREAS, additional classroom and housing facilities are needed because of increased enrollment; and

WHEREAS, Jefferson County is the largest population center in the Commonwealth; and

WHEREAS, the University of Kentucky now has nine community colleges;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Board of Trustees of the University of Kentucky be requested to take immediate steps to establish a community college in Jefferson County.

Section 2. That a copy of this resolution be sent to the Governor, the President of the University of Kentucky, and the Board of Trustees of the University of Kentucky.

SR 4, A JOINT RESOLUTION ratifying a proposed amendment to the Constitution of the United States.

WHEREAS, Senate Joint Resolution 1 of the Eighty-Ninth Congress (First Session) proposes an amendment to the Constitution of the United States; and

WHEREAS, the amendment so proposed shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several states

within seven years from the date of its submission by the Congress; and

WHEREAS, the purpose of the proposed amendment is in keeping with the desires of the people of this Commonwealth to insure an orderly and responsible exercise of the powers and duties vested in the highest executive office of the national government; and to insure the proper discharge of the office of President of the United States and the office of Vice President of the United States;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The amendment to the Constitution of the United States proposed by Senate Joint Resolution 1 of the Eighty-Ninth Congress (First Session), entitled "Joint Resolution proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice Presidency and to cases where the President is unable to discharge the powers and duties of his office" and reading as follows, hereby is ratified:

"Article—

"Section 1. In case of the removal of the President from office or of his death or resignation, the Vice President shall become President.

"Section 2. Whenever there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress.

"Section 3. Whenever the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office, and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice President as Acting President.

"Section 4. Whenever the Vice President and a majority of either the principal officers of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice President shall immediately assume the powers and duties of the office as Acting President.

"Thereafter, when the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives

his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice President and a majority of either the principal officers of the executive department or of such other body as Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon Congress shall decide the issue, assembling within forty-eight hours for that purpose if not in session. If the Congress, within twenty-one days after receipt of the latter written declaration, or, if Congress is not in session, within twenty-one days after Congress is required to assemble, determines by two-thirds vote of both Houses that the President is unable to discharge the powers and duties of his office, the Vice President shall continue to discharge the same as Acting President; otherwise, the President shall resume the powers and duties of his office."

Section 2. The Governor of the Commonwealth shall cause certified copies of this resolution to be sent to the Administrator of General Services of the United States, to the Secretary of State of the United States, to the presiding officer of the United States Senate, and to the Speaker of the House of Representatives of the United States. The Secretary of State of this Commonwealth shall cause certified copies of this resolution to be sent to the Governor of each of the United States.

SR 8, A CONCURRENT RESOLUTION applying to the Congress to call a Convention for the purpose of proposing an amendment to the Constitution of the United States.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the General Assembly respectfully applies to the Congress of the United States to call a Convention for the purpose of proposing the following article as an amendment to the Constitution of the United States.

"Article _____

"Section 1. Nothing in this Constitution shall prohibit any state which shall have a bicameral legislature from apportioning the membership of one house of such legislature on factors other than population, provided that the plan of such apportionment shall have been submitted to and approved by a vote of the electorate of that state.

"Section 2. Nothing in this Constitution shall restrict or limit a state in its determination of how membership of governing bodies of its subordinate units shall be apportioned.

"Section 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the Several States within seven years from the date of its submission to the States by the Congress."

Be it further resolved that a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each member of the Congress from this state.

Calendar

HR 9 and **HR 28** taken from the Calendar and ordered read at length for the second time. Representative Denham moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HR 6, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 50—Ashby, Barber, Bates, Billings, Bondurant, Bruce, Buky, Caldwell, Carter, Chapman, Cottengim, DeMarcus, Dempsey, Denham, Farmer, Gearheart, Hardin, Harper, Head, Hourigan, Houtchens, Howard, Irick, A. Johnson, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Maddox, McIntyre, McNamara, Murphy, Peniston, Pile, Render, R. Reynolds, Sanders, Smith, Straney, Swinford, Taylor, Tinsley, Watkins, Watts, Webster, Wells, Willen, Wright, P. Young. Nays 0.

HR 6 was passed and the title agreed to.

Representative Denham moved that the House adjourn until 10:00 a.m., Tuesday, September 14, 1965. Agreed.

TUESDAY, SEPTEMBER 14, 1965

FOURTEENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend James Shepherd, of the First Methodist Church, Frankfort.

The roll was called. All present except Representatives Frymire, Hislope, A. Johnson, J. E. Johnson, J. O. Johnson, Lassiter, McCowan, O'Brien, Palmer, Pettit, Tinsley, and A. Young.

Senate Message

Announcing passage of **SB 2.**

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 13, 1965, be dispensed with and approved. Agreed.

Motions, Petitions, and Communications

HR 36, by Representative Hoe: A RESOLUTION expressing an opinion relating to the construction of restaurants, service stations and related facilities on Interstate Highways.

The Speaker referred **HR 36** to the Committee on Committees.

HR 37, by Representatives Irick and Sanders: A RESOLUTION directing the Legislative Research Commission to make a study of the policies, procedures, and programs relating to tax assessments and rate making by the State and local political subdivisions.

The Speaker referred **HR 37** to the Committee on Committees.

Representative Denham moved that the rules be suspended for a Committee on Committees meeting. Agreed.

Recess

Representative Denham moved that the House recess for a meeting of the Committee on Rules. Agreed.

The Speaker resumed the Chair.

Motions, Petitions, and Communications (Cont.)

HR 38, by Representative Stuart: A RESOLUTION relating to informing the members of this House concerning the operation of state government.

The Speaker referred **HR 38** to the Committee on Committees.

Report of Committees

The Committee on Rules reported **HR 31, HR 27, SR 7** and **SB 2** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 31, A RESOLUTION relating to Lotts Creek Bridge, Perry County, Kentucky.

WHEREAS, the Lotts Creek Bridge carries a heavy flow of traffic including about eleven hundred school children twice daily; and

WHEREAS, only one vehicle at a time can enter or leave the bridge at either end; and

WHEREAS, persons from the east section of Perry County wish to use this bridge for access to Hazard and the Appalachian Regional Hospital; and

WHEREAS, this bridge is in a dangerous and unsafe condition; and

WHEREAS, the Federal Government has appropriated large sums of money for the relief of Eastern Kentucky, and it is felt that a small portion of this money would be well spent in modernizing this bridge; and

WHEREAS, it is practicable to construct a one way bridge from Highway 80 to Highway 15 if it is impossible to construct a new Lotts Creek Bridge;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Honorable Henry Ward, Commissioner of Highways of the Commonwealth of Kentucky be and is petitioned to direct the construction of an adequate structure to replace the Lotts Creek Bridge in Perry County, Kentucky, or, if that be impossible, to direct the construction of a one-lane bridge from Highway 80 to Highway 15 in Perry County, Kentucky.

HR 27, A RESOLUTION directing the Legislative Research Commission to prepare a study of the tax structure of Kentucky with a view toward finding a substitute or supplement for the property tax for support of schools.

WHEREAS, the people of the Commonwealth are very concerned over the recent Court of Appeals decision that all property in Ken-

tucky be assessed at one hundred percent of its fair cash value; and

WHEREAS, the current population explosion has made it imperative that expanded facilities be provided for schools in the Commonwealth; and

WHEREAS, costs of maintaining, operating and expanding school facilities are at an inflationary level and will probably continue at such a level in the future;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Legislative Research Commission prepare a study of the entire tax structure of the Commonwealth including the effectiveness of the tax collection processes with a view toward finding an equitable tax either as a substitute or a supplement for the property tax for support of schools in the Commonwealth.

SR 7, A CONCURRENT RESOLUTION relating to expanding of the First Extraordinary Session of the 1964 General Assembly.

WHEREAS, the Court of Appeals decision regarding 100 percent assessment of property for tax purposes in Kentucky has opened a virtual Pandora's Box of fiscal confusion, and

WHEREAS, any substantial increase in the yield of property taxes would be extremely unpopular with the people and suicidal politically, and

WHEREAS, there is serious discussion regarding an additional occupational license tax in certain counties, and

WHEREAS, such tax is likely to be unpopular both with wage earners and many people in business, and

WHEREAS, the people in counties considering such a tax probably would reject it at the polls if presented to them in a referendum, and

WHEREAS, there is considerable doubt that the Kentucky General Assembly will act favorably upon such a proposal without providing for referendum, and

WHEREAS, the situation is so mixed up that no government official, educator, or tax expert can in good conscience claim to have an entirely right and proper answer, and

WHEREAS, there is growing sentiment throughout the state in favor of looking to the Kentucky Sales and Use Tax as a possible solution, and

WHEREAS, many who now urge a study of the sales tax approach are aligned with factions that historically have resisted a sales tax in Kentucky, and

WHEREAS, Governor Edward T. Breathitt early in his administration gave a good-faith pledge that he would not increase taxes during his administration, and

WHEREAS, no man could have foreseen the sweeping court decision that brought about the present state of confusion, and

WHEREAS, the Governor has virtually acknowledged through his own proposal that it is impossible to solve the present mess without making possible additional revenue for some school districts, if not all of them, and

WHEREAS, this same dilemma is faced by all public officials in all factions of both parties, with understanding and compassion for the problem faced by the administration in trying to resolve a sticky situation, and

WHEREAS, the problem is so complex that its solution demands a study of all possible approaches, and

WHEREAS, the present call does not permit such full discussion and action,

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That Governor Edward T. Breathitt is respectfully urged to expand the call of this legislative session so as to permit an orderly discussion of:

a. Ways and means of encouraging and implementing action to insure compliance with the full and equal assessment ruling of the court at the earliest possible time;

b. Consideration of raising the Kentucky Sales and Use Tax from its present 3 percent level to 4 percent, with one-half of the additional amount raised to be allocated to public school districts in the county collected, on the basis of average daily attendance, and with the remaining half going into the General Fund Budget.

SB 2, AN ACT providing for taking the sense of the people of the Commonwealth as to calling a Convention for the purpose of adopting a revised constitution.

WHEREAS, the Constitution Revision Assembly, created by the 1964 General Assembly for the purpose of studying and making

recommendations with respect to the present constitution of the Commonwealth, is in the process of developing such recommendations for a report to the 1966 General Assembly; and

WHEREAS, one of the several possible procedures for effectuating the recommendations of the Constitution Revision Assembly is the adoption of such recommendations by a constitution convention limited in authority to consideration of Assembly recommendations; and

WHEREAS, it is in the best interest of constitution reform that preliminary legislative steps necessary to this procedural alternative be taken now so as to make it available to the 1966 General Assembly and to the people on the same schedule as the other alternatives;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Upon the concurrence in this Act by the next General Assembly the sense of the people of the Commonwealth shall be taken in the manner prescribed in the Constitution of the Commonwealth of Kentucky and this Act as to the necessity and expediency of calling a convention for the purpose of revising the Constitution, and such amendments as have been made to it, in accordance with the changes proposed by the Constitution Revision Assembly and incorporated into the notice of election on the question of calling a convention as directed in the next section of this Act. The function and power of the Convention shall be to adopt the revised constitution recommended by the Constitution Revision Assembly or to readopt the present constitution in accordance with the will of the people as expressed in the election of delegates to the Convention. The authority and obligation of the delegates shall be to vote on the main proposition in convention in accordance with the will of their constituencies as expressed in the election of delegates. In the event of an affirmative vote on the proposition herein presented, the law calling a Convention shall clearly indicate the single issue before the Convention and shall clearly state the duty of candidates for election as delegates to present themselves to the people in their districts in such a way as to enable the voter to exercise a choice between re-adoption of the present constitution or adoption of the revised constitution proposed by the Constitution Revision Assembly and considered by the people at the time of voting on the question of calling a Convention.

Section 2. The notice of election on the question of calling a convention shall specify the date of the election at which the question will be submitted to the voters and shall include a summary and a complete text of the revisions proposed by the Constitution Revision

Assembly together with an explanation that only these revisions will be considered by the Convention and that the authority of the delegates will be limited to voting for or against these revisions in accordance with the will of the voters in their districts. This notice shall be published at least four times in at least two newspapers of general circulation published in the Commonwealth so that one such publication is made not less than ninety days before and one other not less than seven days before the election at which the question of calling a convention is voted on by the people.

Calendar

HR 22, HR 33, SR 4, and **SR 8** taken from the Calendar and ordered read at length for the second time. Representative Denham moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HR 9, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative McNamara moved the adoption of **HR 9.** Agreed.

HR 28, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative Nicholls moved the adoption of **HR 28.** Agreed.

HR 24, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative Caldwell moved the adoption of **HR 24.** Agreed.

Representative Denham moved that the House adjourn until 1:30 P.M., Wednesday, September 15, 1965. Agreed.

WEDNESDAY, SEPTEMBER 15, 1965

FIFTEENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend Robert J. Laughlin, of the First Presbyterian Church, Frankfort.

The roll was called. All present except Representatives A. Johnson, J. O. Johnson, F. Morgan, O'Brien, Palmer, Straney, Taylor, and A. Young.

Senate Message

Announcing passage of **HB 1.**

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 14, 1965, be dispensed with and approved. Agreed.

Represenative Dempsey requested that his name be removed from **HB 4.** Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported **HB 1** had been examined and found correctly enrolled. **HB 1** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Motions, Petitions, and Communications

HR 40, by Representative Dempsey: A RESOLUTION requesting the Governor to call a special session to deal with certain problems of gambling and with certain innovations in the field of illegal pursuits engendered by the machine age in the Commonwealth.

The Speaker referred **HR 40** to the Committee on Committees.

Representative Dempsey moved that **HR 40** be taken from the Committee on Committes.

On the roll call the vote was yeas 38—Ball, Ballenger, Bamberger, Blythe, A. Brown, Buky, Caldwell, Cook, DeMarcus, Dempsey, Frymire, Gearheart, Hale, Harper, Head, Hislope, Hoe, Howard, J. E. Johnson, Jones, Kirtley, Marcum, Maury, McCowan, McIntyre, Nicholls, Peace, Reichert, Render, W. Reynolds, Russell, Schmidt, Secrest, Stuart, Watson, Wheeler, Willen, Wright. Nays 32—Allen, Ashby, Barber, Bates, Blume, Bondurant, E. Brown, Bruce, Carroll,

Chapman, Denham, Green, Hardin, Hinkle, Hourigan, Irick, Jordan, Kelly, Lankford, McNamara, Miller, Peniston, Pettit, Pile, Sanders, Smith, Swinford, Tinsley, Tucker, Watkins, Webster, P. Young.

The motion that **HR 40** be taken from Committee on Committees was defeated.

HR 39, by Representative Denham: A RESOLUTION inviting Miss Rebecca Snyder "Miss Kentucky" to attend a session of the House, September 17, 1965.

WHEREAS, Miss Rebecca Snyder represented the Commonwealth of Kentucky in the recent Miss America Beauty Pageant; and

WHEREAS, Miss Snyder conducted herself in a manner which reflected great credit upon herself, her family, and the Commonwealth; and

WHEREAS, Miss Snyder, in addition to her beauty and talent, maintains a high scholastic standing at the University of Kentucky; and

WHEREAS, in addition to her services to the Commonwealth as our representative in Atlantic City, Miss Snyder is the niece of Representative Hale of Daviess County, a member of this body;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives invite Miss Rebecca Snyder to attend the September 17, 1965 session of the House of Representatives.

Section 2. That the Chief Clerk send a copy of this resolution to Miss Snyder at the University of Kentucky.

Representative Denham moved the adoption of **HR 39.** Agreed.

HR 41, by Representatives Hunt and Carroll: A RESOLUTION relating to the campaign for state employees to purchase United States Savings Bonds.

The Speaker referred **HR 41** to the Committee on Committees.

Report of Committees

The Committee on Rules reported **HB 4, HR 29,** and **HR 37** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 4, AN ACT relating to poll taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 92.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) The legislative body of each city of the second to the sixth class shall provide each year, by ordinance, for the assessment of all real and personal property within the corporate limits that is subject to taxation for city purposes, and shall levy an ad valorem tax thereon for city purposes.

(2) [The legislative body of each city of the second to sixth class may levy a poll tax not exceeding one dollar and fifty cents on each male inhabitant of such city on the assessment date other than those exempted by KRS 142.020, such poll tax to become due at the same time ad valorem taxes become due and to be collected in the same manner, and] The legislative body of each city of the second to the sixth class may [also] impose license fees on stock used for breeding purposes, and on franchises, trades, occupations and professions, and may provide for the collection of such fees.

Section 2. Section 68.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) For county purposes the fiscal court of each county [may levy a poll tax on each male resident of the county who is of the age of twenty-one years or over and is not exempt under KRS 142.020, and] shall levy an ad valorem tax on all property subject to county taxation. This section does not authorize the fiscal court to levy a tax to pay any railroad bonded indebtedness or any interest thereon.

[The poll tax shall not exceed one dollar and fifty cents on each person taxed, and] The ad valorem tax shall not exceed fifty cents on each one hundred dollars' worth of property taxed; except that, if an additional tax is required to pay the principal or interest on indebtedness of the county or a taxing district therein incurred prior to the adoption of the Constitution, the fiscal court may levy such additional tax as is authorized by law in force prior to the adoption of the Constitution.

(2) It is further provided that in any county which has under the law now in force established itself as a tubercular district the fiscal court shall levy a tax sufficient to maintain a tubercular institution and to provide for the salaries of the medical staff thereof and any other necessary expenses incident thereto taking into consideration any federal, state, or private financial assistance which may be given to such institution or which by existing law or that hereafter

enacted such institution may be entitled to receive. Such levy shall be an ad valorem tax on all property subject to county taxation and shall not exceed ten cents on each one hundred dollars' worth of property so taxed and such ten cents shall be an additional tax to the fifty cents ad valorem tax limitation hereinbefore provided for.

Section 3. Section 160.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) All school taxes shall be levied by the fiscal court of each county except in independent school districts embraced by cities of the first four classes. In such districts the tax shall be levied by the governing body of the city. The tax levying authority shall levy such ad valorem tax [and such poll tax] as specified by the district board of education within the limits prescribed by the district board of education within the limits prescribed by KRS 160.475, which will obtain for the school district the amount of money needed as shown in such district's general school budget submitted under the provisions of KRS 160.470.

(2) The tax levying authority shall make an annual school levy not later than July 1. The school levy shall not be made until the general school budget has been received by the tax levying authority. The failure of the authority to make the levy by the date prescribed shall not invalidate any levy made thereafter.

(3) All school taxes shall be levied on all property subject to local taxation in the jurisdiction of the tax levying authority. If the school levy is to be made upon the city assessment as authorized in subsection (1), the clerk of such city shall furnish to the school district or districts which the city embraces, the assessed valuation of property subject to local taxation in the school district, as determined by its tax assessor. If the school levy is to be made upon the county assessment the county clerk shall furnish to the proper school district or districts the assessed valuation of property subject to local taxation in such district or districts, as certified by the Kentucky Tax Commission.

Section 4. Section 160.475 of the Kentucky Revised Statutes is amended to read as follows:

(1) The ad valorem tax levy for school purposes, other than sinking fund purposes, in each school district, shall be not less than twenty-five cents annually on each one hundred dollars of property subject to local taxation nor more than one dollar and fifty cents annually on each one hundred dollars of property subject to local taxation.

[(2) The board of education of any district may request the levy of a poll tax, not exceeding two dollars on each male inhabitant

within the district over twenty-one years of age who is not exempt from payment of poll tax.]

(2) [(3)] All existing subdistrict school tax levies, except those required to retire voted bonds are hereby abolished.

Section 5. Section 142.020 of the Kentucky Revised Statutes is hereby repealed.

HR 29, A RESOLUTION relating to excusing absentees.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the members duly elected to this body shall be excused for absences during this First Extraordinary Session of the 1964 General Assembly upon the Chief Clerk of this House attesting that the member has appeared before him and noted his presence at some time while this body was in open session.

HR 37, A RESOLUTION directing the Legislative Research Commission to make a study of the policies, procedures, and programs relating to tax assessments and rate making by the State and local political subdivisions.

WHEREAS, the Kentucky Court of Appeals on June 8, 1965, handed down a landmark decision holding that all property must be assessed at its full fair cash value pursuant to constitutional and statutory mandate; and

WHEREAS, there is much confusion and consternation spread abroad throughout the scope and breadth of our Commonwealth regarding the interpretation and application of this decision; and

WHEREAS, there is an immediate, as well as a long range, need to allay the fears of our people; and

WHEREAS, this matter can not be resolved completely at this Extraordinary Session of the General Assembly; and

WHEREAS, additional time and study must be given to a full and satisfactory conclusion of this matter;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Legislative Research Commission is directed to make a comprehensive study and review of the policies, procedures, and programs relating to assessments and rate making by the State and local political subdivisions and report its findings to the 1966 Regular Session of the General Assembly not later than March 1, 1966.

Calendar

HR 27, HR 31, SB 2, and **SR 7** taken from the Calendar and ordered read at length for the second time. Representative Denham moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

SR 4, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 79—Allen, Ashby, Ball, Ballenger, Bamberger, Barber, Barton, Bates, Billings, Blume, Blythe, Bondurant, A. Brown, E. Brown, Bruce, Buky, Caldwell, Carroll, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Farmer, Frymire, Gearheart, Green, Hale, Hardin, Harper, Head, Hinkle, Hoe, Hourigan, Houtchens, Hunt, Irick, Isler, J. E. Johnson, L. Johnson, Jones, Jordan, Kelly, Kirtley, Lankford, Lassiter, Maddox, Marcum, Maury, McIntyre, McNamara, Miller, Nicholls, Peniston, Pettit, Pile, Reichert, Render, W. Reynolds, Russell, Sanders, Schmidt, Secrest, Smith, Stuart, Swinford, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Whitlock, Willen, Wright, P. Young. Nays 1—Hislope.

SR 4 was passed and the title agreed to.

SR 8, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative Blume moved that **SR 8** be laid on the table.

On the roll call the vote was yeas 14—Ball, Ballenger, Blume, Buky, Caldwell, Farmer, Isler, Jones, Maury, Pettit, Reichert, Russell, Stuart, Wright. Nays 58—Allen, Ashby, Bamberger, Barber, Barton, Bates, Billings, Bondurant, A. Brown, Bruce, Carter, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Green, Harper, Head, Hinkle, Hislope, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, J. E. Johnson, L. Johnson, Jordan, Kelly, Lankford, Lassiter, Maddox, Marcum, McCowan, McIntyre, McNamara, Miller, Nicholls, Peace, Peniston, Pile, Render, W. Reynolds, Sanders, Schmidt, Secrest, Tucker, Watkins, Watson, Watts, Webster, Wells, Whitlock, Willen, P. Young.

The motion to lay **SR 8** on the table was defeated.

On the roll call the vote was yeas 61—Allen, Ashby, Barber, Barton, Bates, Billings, Bondurant, A. Brown, E. Brown, Bruce, Carter, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Gearheart, Green, Hardin, Head, Hinkle, Hislope, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, L. Johnson, Jordan, Kelly, Lankford, Lassiter, Maddox, Marcum, McCowan, McIntyre, McNamara, Nicholls, Peace, Peniston, Pile, Render, W. Reynolds, Sanders, Secrest, Sheehan, Smith, Swinford, Tinsley, Tucker, Wallace, Watkins, Watson, Watts, Webster, Wells, Whitlock, Willen, P. Young. Nays 19—Ball, Ballenger, Bamberger, Blume, Blythe, Buky, Caldwell, Farmer, Frymire, Harper, Isler, Jones, Maury, Miller, Pettit, Reichert, Russell, Stuart, Wright.

SR 8 was passed and the title agreed to.

HR 22, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative Denham moved the adoption of Committee Amendment to **HR 22.** Agreed.

Amend printed copy of House Resolution 22 on page 1, by: striking in their entirety the three whereas clauses that is all between the title and the resolving clause;

and on page 2 by amending lines 1-5 to read:

"Section 1. That the Legislative Research Commission is hereby directed to study the feasibility of providing a business manager for each school district; and to study the feasibility of compensation and paying the expenses of the business manager for each school district from state funds.

"Section 2. That the Legislative Research Commission report the results of this study to the Regular Session of the 1966 General Assembly."

Representative Denham moved the adoption of **HR 22** as amended.

On the roll call the vote was yeas 47—Allen, Ashby, Barber, Bates, Billings, Blume, Blythe, Bondurant, E. Brown, Bruce, Carroll, Carter, Chapman, Chaudoin, Farmer, Frymire, Green, Hale, Hardin, Harper, Head, Hinkle, Hourigan, Houtchens, Howard, Irick, Jones, Jordan, Kirtley, Lankford, Lassiter, McNamara, Miller, Nicholls, Peniston, Pettit, Reichert, Render, W. Reynolds, Russell, Sanders, Sheehan, Swinford, Tucker, Watts, Webster, P. Young. Nays 21—Ball, Bamberger, A. Brown, Buky, Caldwell, Cook, DeMarcus, Dempsey, Hislope, Hoe, J. E. Johnson, Maddox, Maury, Peace, Secrest, Stuart, Wallace, Watson, Whitlock, Willen, Wright.

HR 22 as amended was passed and the title agreed to.

HR 33, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative P. Young moved that **HR 33** be laid on the table.

On the roll call the vote was yeas 33—Allen, Ashby, Barber, Barton, Billings, Bondurant, A. Brown, DeMarcus, Frymire, Hardin, Harper, Head, Hinkle, Hoe, Howard, J. E. Johnson, L. Johnson, Kelly, Maury, McCowan, McIntyre, Peace, Render, W. Reynolds, Secrest, Sheehan, Stuart, Tucker, Wallace, Watts, Wells, Willen, P. Young. Nays 24—Ballenger, Bates, Blume, Blythe, E. Brown, Bruce, Buky, Caldwell, Carroll, Cook, Denham, Farmer, Hale, Hourigan, Irick, Jones, Jordan, Miller, Nicholls, Peniston, Reichert, Smith, Swinford, Wright.

HR 33 was laid on the table.

Representative Denham moved that the House adjourn until 10:00 a.m., Thursday, September 16, 1965. Agreed.

THURSDAY, SEPTEMBER 16, 1965

SIXTEENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend J. Carter Roberts, of the Church of the Nazarene, Frankfort.

The roll was called. All present except Representatives Blythe, A. Johnson, F. Morgan, O'Brien, Palmer, Taylor, Tinsley, White, and A. Young.

Senate Message

HB 1 was returned to the House with communication.

Without objection of the Senate and upon suggestion by the Enrollment Committee, the Chair asks the Clerk to return House Bill No. 1 to the House of Representatives and state to the House of Representatives that the Enrolling Committee has found certain interlineations for which the Senate desires an explanation before giving consideration to the signing and enactment of the bill.

John W. Willis
Attest Clerk of Senate

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative Miller moved that the reading of the Journal of September 15, 1965, be dispensed with and approved. Agreed.

"Miss Kentucky", Rebecca Snyder, appeared before the House.

Representative Cottengim moved that Miss Kentucky be awarded an Honorary Page Certificate. Agreed.

Motions, Petitions, and Communications

HR 42, by Representatives Sheehan, Cottengim, Sanders, W Reynolds, Harper, Hourigan, and Irick: A RESOLUTION in memory of Doctor Charles Wheeler Justice.

WHEREAS, the Commonwealth has lost one of its leading citizens with the death of Doctor Charles Wheeler Justice; and

WHEREAS, Doctor Charles Wheeler Justice has served unselfishly and untiringly in the practice of medicine in the service of the citizens of Ludlow, Bromley and West Covington for thirty-five years; and

WHEREAS, as a leading citizen of Ludlow he served his community with pride and a devotion toward its advancement and betterment; and

WHEREAS, he has served as an inspiration to his patients and to the citizens of his community, young and old alike; and

WHEREAS, the Commonwealth has suffered a great and irreparable loss with the passing of Doctor Charles Wheeler Justice and that the Commonwealth can ill afford to lose men of his dedication;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sympathy of the House of Representatives be extended to the family of Dr. Charles Wheeler Justice.

Section 2. That when the House of Representatives adjourns on September 16, 1965, it does so in memory of Doctor Charles Wheeler Justice.

Section 3. That the Chief Clerk of the House of Representatives send a copy of this Resolution to his widow, Mrs. Mary Justice and his son, Doctor Charles W. Justice, Jr., all of Ludlow, Kentucky and to his daughter, Mrs. Charlotte Hensley, of Cincinnati, Ohio.

Representative Sheehan moved the adoption of **HR 42.** Agreed.

Representative Straney announced that had he been present, he would have voted "yea" on **SR 8.** Agreed.

Recess

Representative Denham moved that the House recess for thirty minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Enrollment Committee Report

Representative Isler moved that the Enrollment Committee Chairman's report on **HB 1** be spread in full on the minutes of the House Journal. Agreed.

IN HOUSE

September 16, 1965

The House Committee on Enrollment has re-examined House Bill No. 1. The original typed copy of House Bill No. 1, together with duly adopted amendments to said bill has been compared with the enrolled bill. They have again been found to be identical. The

Enrollment Committee did find that the Enrolling Clerk had corrected clerical errors in the amendment adopted by the House on Friday, September 3. The correction of these clerical errors properly was the function of the Enrolling Clerk. However, the corrections were made in ink and brackets had been made in pencil on Friday, September 3.

Rule No. 54 of this House specifies that these corrections should have been made by typing only; therefore, the House Enrollment Committee instructed the Enrolling Clerk to make these clerical corrections by typing them in the exact language as did appear in the ink corrections. The Committee further instructed the Enrolling Clerk to initial each of these clerical corrections. The language of committee substitute to House Bill No. 1, together with amendments duly adopted in this House of Representatives, remain the same. The same text was approved by the House of Representatives on September 3. The same text was approved by the Senate and properly signed and attested by the Presiding Officer of the House of Representatives.

The instructions given to the Enrolling Clerk have been accomplished as attested to by the Enrolling Committee as a whole whose signatures appear below:

John J. Isler, Chairman
Louise G. Kirtley
James E. Bondurant
Julian M. Carroll

The Speaker asked the Clerk to return **HB 1** to the Senate. Without any objection of the House, it was done.

HB 1 delivered, signed by President. Ordered delivered to the Governor.

Recess

Representative Ballenger moved that the House recess for fifteen minutes for Minority Party Caucus. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Motions, Petitions, and Communications (Cont.)

HR 43, by Representative Kirtley: A RESOLUTION relating to elective offices.

The Speaker referred **HR 43** to the Committee on Committees.

Calendar

HB 4, **HR 29**, and **HR 37** taken from the Calendar and ordered read at length for the second time. Representative Denham moved

that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

SB 2, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative DeMarcus moved the adoption of an amendment to **SB 2.**

On the roll call the vote was yeas 15—Ball, Ballenger, Bamberger, Caldwell, DeMarcus, Dempsey, Hislope, J. O. Johnson, Jones, Maury, Reichert, Russell, Schmidt, Stuart, Wright. Nays 50—Allen, Ashby, Barber, Bates, Billings, Blume, Bondurant, E. Brown, Bruce, Carroll, Chapman, Chaudoin, Cook, Cottengim, Denham, Frymire, Gearheart, Green, Hale, Hardin, Hourigan, Houtchens, Hunt, Irick, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, McNamara, Miller, Murphy, Nicholls, Peniston, Pettit, Pile, R. Reynolds, W. Reynolds, Sanders, Smith, Straney, Swinford, Tucker, Watkins, Watts, Webster, Wells, Whitlock, P. Young.

The motion to adopt an amendment to **SB 2** was defeated.

On the roll call the vote was yeas 53—Allen, Ashby, Barber, Bates, Billings, Blume, Bondurant, E. Brown, Bruce, Carroll, Carter, Chapman, Chaudoin, Cook, Cottengim, Denham, Frymire, Gearheart, Green, Hale, Hardin, Hourigan, Houtchens, Howard, Hunt, Irick, L. Johnson, Jordan, Kelly, Kirtley, Lankford, Lassiter, McNamara, Miller, Murphy, Nicholls, Peniston, Pettit, Pile, Render, R. Reynolds, W. Reynolds, Sanders, Smith, Straney, Swinford, Tucker, Watkins, Watts, Webster, Wells, Whitlock, P. Young. Nays 31—Ball, Ballenger, Bamberger, Barton, A. Brown, Buky, Caldwell, DeMarcus, Dempsey, Harper, Head, Hislope, Hoe, Isler, J. O. Johnson, Jones, Maddox, Maury, McCowan, J. Morgan, Peace, Reichert, Russell, Schmidt, Secrest, Sheehan, Stuart, Wallace, Wheeler, Willen, Wright.

SB 2 was passed and the title agreed to.

Representative Denham moved that the vote by which **SB 2** was passed be reconsidered and said motion be laid on the table. Agreed.

HR 27, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 69—Allen, Ashby, Ballenger, Bamberger, Barber, Barton, Bates, Billings, Blume, Bondurant, A.

Brown, E. Brown, Bruce, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, Dempsey, Denham, Frymire, Gearheart, Green, Hale, Hardin, Harper, Head, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, L. Johnson, Jones, Kelly, Kirtley, Lankford, Lassiter, Maddox, Maury, McIntyre, McNamara, J. Morgan, Murphy, Nicholls, Peace, Peniston, Pile, Reichert, Render, R. Reynolds, W. Reynolds, Russell, Sanders, Schmidt, Secrest, Smith, Straney, Stuart, Swinford, Tucker, Watkins, Webster, Wells, Wheeler, Wright, P. Young. Nays 0.

HR 27 was passed and the title agreed to.

HR 11, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 72—Allen, Ashby, Ball, Ballenger, Bamberger, Barber, Barton, Bates, Billings, Blume, Bondurant, E. Brown, Bruce, Buky, Caldwell, Carroll, Carter, Chapman, Chaudoin, Cook, DeMarcus, Dempsey, Denham, Gearheart, Green, Hale, Hardin, Harper, Head, Hoe, Hourigan, Houtchens, Howard, Hunt, Irick, L. Johnson, Jones, Jordan, Kelly, Kirtley, Lankford, Lassiter, Marcum, Maury, McCowan, McIntyre, McNamara, J. Morgan, Murphy, Nicholls, Peace, Peniston, Pettit, Pile, Reichert, Render, R. Reynolds, W. Reynolds, Russell, Schmidt, Secrest, Sheehan, Smith, Straney, Stuart, Swinford, Tucker, Webster, Wells, Wheeler, Wright, P. Young. Nays 0.

HR 11 was passed and the title agreed to.

HR 31, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative McIntyre moved the adoption of **HR 31.** Agreed.

Recess

Representative Denham moved that the House recess until 2:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Representative Denham moved that the House adjourn until 10:00 a.m., Friday, September 17, 1965. Agreed.

FRIDAY, SEPTEMBER 17, 1965

SEVENTEENTH LEGISLATIVE DAY

The House was called to order by Speaker McCallum.

Prayer by the Reverend John C. Chenault, of the First Christian Church, Frankfort.

The roll was called. All present except Representatives Ballenger, Barton, Blythe, E. Brown, Caldwell, Dempsey, Hislope, A. Johnson, Kirtley, Lassiter, Maddox, Miller, F. Morgan, Nicholls, O'Brien, Palmer, Pettit, Sanders, Taylor, Tinsley, Tucker, Wallace, Watkins, Watson, Wells, White, Willen, and A. Young.

Representative Isler moved that absent members be granted leave of absence. Agreed.

Representative P. Young moved that the reading of the Journal of September 16, 1965, be dispensed with and approved. Agreed.

Motions, Petitions, and Communications

HR 44, by Representatives Sanders, W. Reynolds, and McNamara: A RESOLUTION commending the Speaker, Majority Floor Leader and the Leadership of the House.

WHEREAS, the Speaker of the House of Representatives has conducted himself in such a manner during this Extraordinary Session that he deserves the commendation of the members of this House; and

WHEREAS, the Majority Floor Leader has treated each member of the House with equality regardless of political affiliation; and

WHEREAS, the entire leadership of the House of Representatives should be commended for their untiring efforts and the kindness shown to the members of this body;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the members of the House of Representatives express their gratitude to the Speaker, Majority Floor Leader and the entire leadership for their efforts and kindnesses shown to every member of this body.

Representative Swinford moved the adoption of **HR 44.** Agreed.

HR 45, by Representatives Sanders, Irick, W. Reynolds, and McNamara: A RESOLUTION commending Mr. James T. Fleming and the Staff of the Legislative Research Commission.

WHEREAS, Mr. James T. Fleming, Director of the Legislative Research Commission, has rendered to the First Extraordinary Session of 1965 of the General Assembly invaluable and untiring service to every member of the House of Representatives; and

WHEREAS, every member of the House was treated in an equal manner regardless of party affiliation, leadership position, or the length of time remaining in his term of office; and

WHEREAS, each and every member of the Legislative Research Commission Staff has given of their time and their talent to serve the members of this House in preparation of resolutions, bills and research data;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Mr. James T. Fleming, Director of the Legislative Research Commission and his Staff be commended and the gratitude of every member of this House be extended to all those persons of the Legislative Research Commission who have served so well.

Representative Swinford moved the adoption of **HR 45.** Agreed.

HR 46, by Representatives Sanders, Irick, McNamara, and W. Reynolds: A RESOLUTION commending the employes of the House of Representatives.

WHEREAS, the members of the House wish to express to the Chief Clerk and his staff their appreciation for the wonderful manner in which they carried out their duties during the First Extraordinary Session of 1965; and

WHEREAS, the sergeant-at-arms is to be commended for his services in this Special Session under what were sometimes difficult conditions; and

WHEREAS, the employes charged with preparing the chamber for each session of this House are due the recognition of this body; and

WHEREAS, all the persons who have served the members of the House of Representatives perform necessary services in the functioning of our state government and often go unrecognized;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the employes of the House of Representatives are commended severally and individually for their services to the members of this body and recognized as being an integral part of their state government.

Representative Swinford moved the adoption of **HR 46.** Agreed.

HR 47, by Representatives Bates, Cook, DeMarcus, Render and Maury: A RESOLUTION in memory of Judge Thomas B. McGregor.

WHEREAS, Judge Thomas B. McGregor, a prominent citizen of the Commonwealth passed away on September 17, 1965; and

WHEREAS, Judge McGregor held many offices in the Commonwealth including that of the Attorney General, Fourteenth District Circuit Judge, President of the State Bar Association, membership on the Public Service Commission, membership on Board of Regents of Eastern State College; and

WHEREAS, Judge McGregor was known for his fairness to all persons with whom he came in contact, his unimpeachable honesty and his devotion to the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sympathy of the House of Representatives be extended to the family of Judge Thomas B. McGregor.

Section 2. That when the House adjourns September 17, 1965 it does so in memory of Judge Thomas B. McGregor.

Section 3. That a copy of this resolution be delivered to the wife of Judge McGregor, Mrs. Emma Thomas of Frankfort, Miss Eleanor McGregor of Louisville and Jack Rhorer of Frankfort, Kentucky.

Representative Bates moved the adoption of **HR 47.** Agreed.

HR 48, by Representative Webster: A RESOLUTION expressing appreciation to the staff of the Legislative Research Commission.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body does hereby commend, and express its appreciation to, the entire staff of the Legislative Research Commission for its efficient, prompt, and courteous service to this body and to the individual members of this body during the First Extraordinary Session of the 1964 General Assembly.

Section 2. That the Director of the Legislative Research Commission shall bring this Resolution to the attention of each member of the able staff.

Representative Webster moved the adoption of **HR 48.** Agreed.

Recess

Representative Denham moved that the House recess for twenty minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair.

Report on Enrolled Bills

The Committee on Enrollment reported **SB 2, SR 4,** and **SR 8** had been examined and found correctly enrolled. **SB 2, SR 4,** and **SR 8** read at length, compared, and signed in open session by the Speaker. Ordered delivered to the Senate.

Orders of the Day

HR 29, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative McCowan moved that it be read by title only. Agreed by a majority of members elected.

Representative Blume moved the adoption of **HR 29.** Agreed.

HR 37, taken from Orders of the Day on recommendation of the Rules Committee, and ordered read at length for the third time. Representative Denham moved that it be read by title only. Agreed by a majority of members elected.

Representative Irick moved the adoption of **HR 37.** Agreed.

Motions, Petitions, and Communications (Cont.)

HR 49, by Representative Denham: A CONCURRENT RESOLUTION fixing the sine die adjournment of the First Extraordinary Session of the 1964 General Assembly.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That when the House of Representatives and the Senate of the General Assembly of the Commonwealth of Kentucky convened on August 23, 1965, in extraordinary session do adjourn on Friday, September 17, 1965, they do adjourn sine die.

Representative Denham moved the adoption of **HR 49.** Agreed.

Senate Message

Announcing passage of **HR 11.**

The Speaker appointed the following committee to inform the Senate that the House had concluded all business and to join a like committee from the Senate to wait upon the Governor to inquire if he had further business to communicate: Representatives Hunt, Schmidt, Bondurant, and Smith.

Representative J. E. Johnson announced had he been present, he would have voted "yea" on **SB 2.** Agreed.

Senate Message

Announcing passage of **HR 49.**

Adjournment

The Committee from the House met with a like committee from the Senate and reported that the Governor thanked them and stated that he had no further business to communicate.

Representative Denham moved that the Journal for the House of Representatives be approved. Agreed.

Representative Sanders rose to a point of personal privilege.

Representative Sanders moved his remarks be spread upon the Journal. Agreed.

Mr. Speaker,
Ladies and Gentlemen

A short time less than two years ago, this body came to this point in the regular session, 1964.

As I recall, we have been wonderfully blessed, the great God of heaven and earth has not called any member of the body from this life.

May we, as members of the first extraordinary session of 1965 be ever mindful, that in all probabilities, we will all never answer roll call in this House again. It is my sincere desire and hope, that should any member be called to answer the roll in the Great Beyond, that you may hear the most welcoming words,

"Enter thou into the realms of the bliss, faithful soldier, enjoy the good things stored up for you."

Before making my motion may I say I have enjoyed your friendship and serving with each of you. We have had our differences of

opinion, but we have not dealt in personalities with each other.

Mr. Speaker, may I at this time ask that my remarks be spread in the Journal.

If no other member has any other business to come before this body Mr. Speaker, I am now about to make a privilege motion that we do now adjourn sine die the first extraordinary session of the 1965 Legislature.

Representative Sanders moved that the House adjourn sine die. Agreed.

The Journal of the House was read, compared and approved. The House adjourned sine die.

Approved: Shelby McCallum, Speaker

Attest: Troy B. Sturgill, Chief Clerk
House of Representatives

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HISTORY OF HOUSE BILLS

Numbers refer to page of House Journal. The text of a bill is given on 1st reading. The names of sponsors are in parentheses; when a bill has more than two sponsors only the first is listed in this history, but all sponsors are listed when a bill is introduced.

HB 1 Revises state and local ad valorem tax rate and revenue provisions. (Denham)

HB 2 Reduces state and local property tax rates. (Isler)

HB 3 Reduces state and local property tax rates. (Dempsey)

HB 4 Deletes authorization for local poll tax levies. (Wells and Gearheart)

HB 5 Reduces maximum school district ad valorem tax levy rate. (Irick and Sanders)

HB 6 Limits school district ad valorem tax rates. (Billings)

HB 7 Establishes two-thirds property tax rate for property owned and occupied. (Ball and others)

HB 8 Imposes business and occupational license fees in counties containing cities of the first class. (Blume and others)

HB 9 Proposes a Constitutional amendment for property assessment. (Sheehan)

HB 10 Imposes county occupational licenses on non-residents thereof. (Nicholls)

HB 11 Reduces state and local ad valorem tax rates. (Nicholls)

HB 12 Grants $5,000 homestead property tax exemption to persons over age 65. (Hislope and Hoe)

HB 13 Imposes business and occupational license fees in counties containing cities of the first class. (Russell and others)

HB 14 Reduces school district ad valorem tax rates. (Frymire)

HB 15 Establishes referendum procedures for constitutional revision. (Denham)

		Intro-duced	Re-ferred	Re-ported	1st	Readings 2nd	3rd	Senate Message	En-rolled	Other Action
HB	1	13	14	25	25	67	70	101	101	70
HB	2	15								
HB	3	15		25	58	67				
HB	4	17		102	103	111				
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HB	13	68								
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HB	15	87	87							

HISTORY OF HOUSE RESOLUTIONS

Numbers refer to page of House Journal. The text of a resolution is given on 1st reading or adoption. Joint resolutions are designated **HJR**; concurrent resolutions are designated **HCR.**

HR 1 Invites Frankfort pastors to open sessions with prayer. (Denham)

HR 2 Directs appointment of a committee to wait upon the Governor. (Denham)

HJR 3 Makes an appropriation to the Legislative Research Commission. (Denham)

HR 4 Provides for tax credit insertion for persons age 65 or over in property tax legislation. (Caldwell and others)

HCR 5 Directs a study of the organization and administration of school districts. (Harper and others)

HCR 6 Directs a study of non-resident tuition fees for colleges. (Wells)

HCR 7 Directs a study of property classification for tax purposes. (Sanders and Irick)

HR 8 Requests expansion of the extraordinary session call to include sales tax. (Straney)

HR 9 Requests consideration of legislation for levy of a sales and use tax for schools. (McNamara)

HR 10 Expresses gratitude for assistance concerning Jefferson County explosion. (Caldwell and Reichert)

HCR 11 Directs a study and program for mentally disturbed children. (Murphy and Cottengim)

HCR 12 Requests expansion of the extraordinary session call to consider school district matters. (Cottengim)

HCR 13 Provides for legislation to require board of education tax rate certification. (Murphy and Cottengim)

HR 14 Requests Constitution Revision Assembly consideration of session call by the General Assembly. (Isler)

HR 15 Expresses support for the Cincinnati Redlegs Baseball Team. (Billings)

HR 16 Commends Waite Hoyt as a baseball player, broadcaster and humanitarian. (Billings and others)

HR 17 Records the House of Representatives as opposed to increasing taxes. (Hislope and others)

HCR 18 Petitions Congress to call a Constitutional Convention. (Hislope and others)

HR 19 Requests that a state police officer be stationed in Martin County. (Dempsey)

HR 20 Opposes selective taxation and supports repeal of the distilled spirits tax. (Stuart and others)

		Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Adopted	Senate Message	Enrolled	Other Action
HR	1	4						4			
HR	2	4						4			
HJR	3	13	14	16	16	19	22	22	80	82	
HR	4	14	14								
HCR	5	15		25	61	67					
HCR	6	15		81	81	87	94	94			
HCR	7	19		25	60	67	82	83			
HR	8	20	20								
HR	9	20	20	85	86	94	100	100			
HR	10	18						19			
HCR	11	19		25	58	67	113	113	118		
HCR	12	19									
HCR	13	19									
HR	14	21						22			
HR	15	20						21			
HR	16	23						23			
HR	17	25	25								
HCR	18	62									
HR	19	25	25	67	67	70	83	83			
HR	20	25	25								

HR 21 Invites the "Chordians" to entertain the House of Representatives. (Watts and others)
HR 22 Orders a study for provision of a business manager for each school district. (Bruce and Hardin)
HR 23 Commends the Cincinnati Redlegs Baseball Team. (Harper and Bruce)
HR 24 Requests Constitution Revision Assembly consideration of property classification according to use. (Carroll)
HR 25 Requests expansion of the extraordinary session call for school appropriation. (Russell and others)
HCR 26 Directs a study of property classification for tax purposes. (Whitlock)
HR 27 Orders a study of the tax structure of Kentucky. (E. Brown)
HR 28 Orders a study of interstate cooperation on out-of-state college tuitions. (Nicholls and Harper)
HR 29 Excuses absent Representatives upon certification by House Clerk. (Blume)
HR 30 Requests branding the Republican Party as subversive. (Nicholls)
HR 31 Requests a replacement structure for the Lotts Creek Bridge in Perry County. (McIntyre and others)
HR 32 Directs a study of the state property tax structure. (Hoe)
HR 33 Requests establishment of a University of Kentucky college in Jefferson County. (Blume and others)
HR 34 Expresses sympathy over the death of Miss Dunster G. Pettit. (McNamara)
HR 35 Extends sympathy to the family of Joe B. Bates. (Nicholls and others)
HR 36 Expresses opposition to state-owned service facilities on highways. (Hoe)
HR 37 Directs a study of tax assessment and rate making procedures. (Irick and Sanders)
HR 38 Provides for daily copies of the **Nashville Tennessean** for House Members. (Stuart)
HR 39 Invites Miss Rebecca Snyder, "Miss Kentucky", to attend a session of the House. (Denham)
HR 40 Requests an extraordinary session to deal with gambling problems. (Dempsey)
HR 41 Urging state employes purchase of U. S. Savings Bonds. (Hunt and Carroll)
HR 42 Extends sympathy to the family of Dr. Charles Wheeler Justice. (Sheehan and others)
HR 43 Places all elective offices in the Commonwealth at auction. (Kirtley)
HR 44 Commends the leadership of the House of Representatives. (Sanders and others)

	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Adopted	Senate Message	En-rolled	Other Action
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HR 45 Commends the Legislative Research Commission Director and staff. (Sanders and others)

HR 46 Commends employes of the House of Representatives. (Sanders and others)

HR 47 Extends sympathy to the family of Judge Thomas B. McGregor. (Bates and others)

HR 48 Commends the staff of the Legislative Research Commission. (Webster)

HCR 49 Adjourns the General Assembly sine die. (Denham)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Adopted	Senate Message	Enrolled	Other Action
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HISTORY OF SENATE BILLS

Numbers refer to page of House Journal. The text of a bill is given on 1st reading.

SB 2 Establishes referendum procedures for constitutional revision.

		Senate Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Enrolled	Other Action
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HISTORY OF SENATE RESOLUTIONS

Numbers refer to page of House Journal. The text of a resolution is given on 1st reading or adoption. Joint resolutions are designated **SJR**; concurrent resolutions are designated **SCR.**

SJR	4	Ratifies the Presidential Succession Amendment to the U. S. Constitution.
SCR	7	Requests expansion of the General Assembly call.
SCR	8	Requests a U. S. Constitution Convention for apportionment of state legislatures.
SCR	10	Adjourns from September 2 to September 8, 1965.

		Senate Message	Referred	Reported	1st	Readings 2nd	3rd	Adopted	Enrolled	Other Action
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